



2021 OMWI ANNUAL REPORT TO CONGRESS

JANUARY 2021 – DECEMBER 2021

Office of Minority and Women Inclusion





Message from the OMWI Director

In accordance with the reporting requirements of Section 342(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), I am pleased to submit the 2021 Annual Report (Report) of the Federal Housing Finance Agency's (FHFA or Agency) Office of Minority and Women Inclusion (OMWI).

After two full years of the pandemic, which has tested our collective resiliency, one clear lesson has emerged with direct implications for diversity, equity, and inclusion (DEI). Every organization must position itself to pivot in the face of widespread, unforeseeable, and systemic change. With change so all-encompassing, the hard decisions facing organizations must necessarily be driven by core values informed by employees' input and experiences. Some of those decisions have already been made as organizations begin to implement hybrid work models, but others will have to wait as employees adjust to a post-pandemic work environment. Data will have to be collected, other evidence gathered, and metrics developed, all in service of developing policies and best practices that speak to a changed environment.

FHFA's core organizational values pave the path for organizational discussions about the kinds of behaviors that typify or demonstrate those values. Agency leadership also determined that DEI as a standalone component of our core values was not enough. With employees' input, leadership went deeper and made DEI, together with competence, the foundation for guiding the decision-making, culture, and behaviors in the business and activities of our Agency. These values are integral to how the Agency fulfills its mission and responsibly stewards its infrastructure.

As required by statute, the Report provides an overview of FHFA's DEI program, including its workforce demographics, contracting data, and DEI strategies and activities. It also describes some significant initiatives that OMWI undertook and successfully executed in 2021, in many instances collaborating with other FHFA divisions and offices. We are proud of the expansive and enabling approach that the Agency has taken in DEI.

The Report demonstrates FHFA's compliance with the letter and spirit of the Dodd-Frank Act. It also shows the effectiveness of our DEI strategies and programs relating to the Agency's workforce and supplier diversity. In addition, it highlights the integration of DEI into other business activities of FHFA, including in certain policy matters relating to housing finance, as well as the oversight of FHFA's regulated entities in the expansion, enhancement, and implementation of their diversity and inclusion programs.

Sincerely,
Sharron P. A. Levine
OMWI Director



Table of Contents

Table of Contents.....	i
A. Introduction	1
B. FHFA Workforce Diversity and Inclusion	5
I. Workforce Diversity	5
II. FHFA Workforce Comparison	8
III. Mission-Critical Occupations	8
IV. Management	11
V. Internships	13
VI. Successes	14
VII. Challenges	18
C. FHFA Business Diversity and Inclusion.....	19
VIII. Contracting Activities and Five-Year Analysis	19
IX. FHFA 2021 Top Six NAICS Codes Contracting Actions and Spend Overview	22
X. Successes	26
XI. Challenges	27
D. Ensuring Diversity and Inclusion at FHFA’s Regulated Entities	28
E. OMWI Operations	30
F. DEI Data Management	31
G. Conclusion.....	32
Appendix A.....	33
Appendix B	35



A. Introduction

The Federal Housing Finance Agency (FHFA or Agency) was created as an independent agency by the Housing and Economic Recovery Act of 2008¹ (HERA) to regulate and supervise Fannie Mae, Freddie Mac (together, “Enterprises”), and the Federal Home Loan Bank System, which includes the 11 Federal Home Loan Banks (FHLBanks) and its fiscal agent, the Office of Finance (OF) (collectively, the regulated entities).² FHFA also supervises an affiliate of the Enterprises, Common Securitization Solutions, LLC (CSS), which acts as each Enterprise’s agent to facilitate the issuance of single-family mortgage securities. Since 2008, FHFA has also served as the conservator of the Enterprises. The Agency’s mission is to ensure that the regulated entities operate in a safe and sound manner to serve as a reliable source of liquidity and funding for the housing finance market throughout the economic cycle.

On January 21, 2011, FHFA established its Office of Minority and Women Inclusion (OMWI) consistent with Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act).³ OMWI is responsible for leading the Agency’s efforts to advance diversity and inclusion (D&I), by developing and implementing standards for:

- Equal employment opportunity (EEO) and the racial, ethnic, and gender diversity of the Agency’s workforce, including senior management;
- Increased participation of minority- and women-owned businesses (MWOBs) in Agency programs and contracts, and standards for coordinating technical assistance to such businesses; and
- Assessing the diversity policies and practices of the regulated entities.⁴

¹ See 12 U.S.C. § 4501 *et seq.*

² The Office of Finance is not a “regulated entity” as the term is defined by statute (see 12 U.S.C. § 4502(20)).

However, for convenience, references to the “regulated entities” in this Report should be read to also apply to the Office of Finance unless otherwise noted.

³ See 12 U.S.C. § 5452.

⁴ See 12 U.S.C. § 5452(b)(2).



FHFA is among eight federal financial agencies, seven of which are collectively referred to as the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) agencies,⁵ that the Dodd-Frank Act requires to submit an annual report to Congress containing the following information:

- A statement of the total amounts paid by the Agency to contractors since the previous report;
- The percentage of the amounts paid to contractors that are MWOBs;
- The successes achieved and challenges faced by the Agency in operating minority and women outreach programs;
- The challenges the Agency may face in hiring minority and women employees and contracting with qualified MWOBs; and
- Any other information, findings, conclusions, and recommendations for legislative or Agency action, as the OMWI Director determines appropriate.

In 2021, FHFA's OMWI was reorganized⁶ into five functional areas: Agency Diversity, Equity, and Inclusion (DEI) Practice; D&I Supervision/Examinations; DEI Policy; DEI Data Management; and OMWI Operations. The full-time staff consists of the OMWI Director, Associate Director, Supervisory Examination Specialist, Supervisory D&I Specialist, Principal Policy Analyst, Financial Institution Examiners, Program Analyst, Administrative Office Manager, Senior Data Analytics Specialist, and Management Analysts.

The Agency DEI Practice function develops Agency standards for DEI and provides DEI training, development, and support. Additionally, the function provides DEI guidance on Agency recruitment, hiring, promotion, talent development, and mentorship programs, and leads DEI initiatives, Special Emphasis Programs (SEP), and other events to engage employees, encourage organizational communication, and raise cultural and social awareness. It also leads FHFA's commitment to diversity in the supply chain, driving FHFA's initiatives to connect MWOBs with Agency business opportunities.

OMWI's D&I Supervision/Examination function supervises the regulated entities' methods of hiring and developing staff, offering business opportunities, extending access to credit and

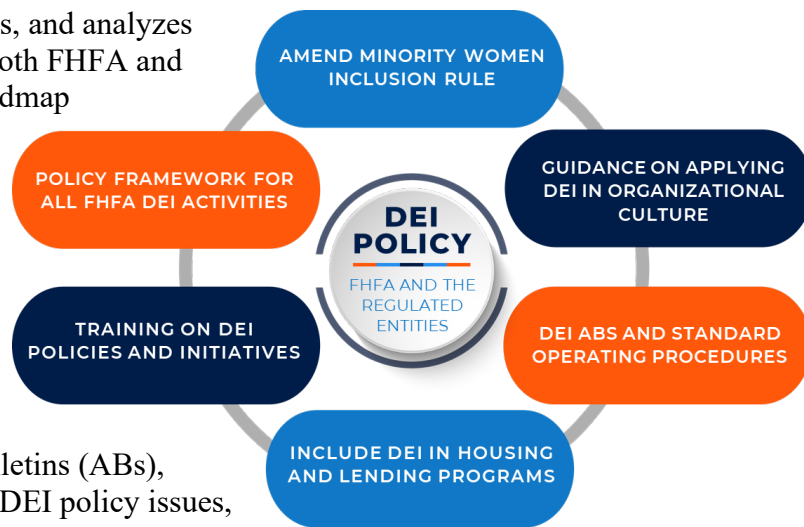
⁵ See 12 U.S.C. § 5452(e) and (g). The seven other federal financial agencies are: The Departmental Offices of the Department of the Treasury (Treasury); Federal Deposit Insurance Corporation (FDIC); Board of Governors of the Federal Reserve System and each Federal Reserve Bank; National Credit Union Administration (NCUA); Office of the Comptroller of the Currency (OCC); Securities and Exchange Commission (SEC); and Bureau of Consumer Financial Protection (CFPB).

⁶ The Agency previously underwent a reorganization in early 2020 that placed EEO Services under the then newly established Office of Equal Opportunity and Fairness (OEOF), which also houses the non-EEO alternative dispute resolution and FHFA internal harassment prevention functions and manages the Internal Ombudsman function through external resources.



housing finance, and working with vendors. OMWI ensures the regulated entities consider D&I principles in their business and activities. FHFA’s D&I Examination Program confirms whether the regulated entities have the strategies, people, and processes to meet D&I regulatory requirements and to offer equitable opportunities to minority-, women-, and disabled-owned businesses, and minorities, women, and individuals with disabilities. OMWI uses its delegated examination authority, FHFA’s Minority and Women Inclusion Rule (“the Rule”),⁷ and the D&I Examination Manual to assess how the regulated entities address D&I in all workforce and business activities through examinations and monitoring. OMWI’s D&I examiners assess compliance with D&I laws and regulations, assign D&I composite ratings, deliver an OMWI D&I Report of Examination (D&I ROE) for each regulated entity, and pursue enforcement actions.

OMWI’s DEI Policy function establishes, defines, and analyzes DEI rules, guidance, and recommendations for both FHFA and the regulated entities. DEI Policy provides a roadmap for day-to-day DEI operations, outlines compliance, and provides guidance for decision-making. DEI Policy also actively engages stakeholders in DEI policy development and application to ensure more meaningful and effective results in the larger housing finance policy sphere and within FHFA. For both FHFA and the regulated entities, it also reviews and assesses DEI Policy initiatives, issues guidance such as Advisory Bulletins (ABs), addresses identified gaps, trains stakeholders on DEI policy issues, and amends existing policies.



The OMWI Operations function provides support for DEI services across OMWI. OMWI Operations develops internal processes, quality controls, tools, and templates for DEI initiatives, examinations, and data services. It oversees OMWI strategic planning and provides administrative management for OMWI policies, reports, communication, and outreach efforts. OMWI Operations is also responsible for ensuring compliance with all Agency-level requirements, including, but not limited to, records management, office and Agency budgeting processes, A-123 Internal Controls Assessment Report, OMWI contract management, and recruitment.

⁷ See 12 CFR 1223.



OMWI's DEI Data Management function collects, analyzes, and communicates a wide variety of DEI data and metrics. DEI Data Management manages all D&I data submitted by the regulated entities, standardizes FHFA DEI metrics and benchmarks, manages reporting and data requests, and develops data recommendations for DEI Policy and Examinations. DEI Data Management identifies data trends and uses its DEI data expertise to design new data applications. OMWI has developed one-of-a-kind DEI data management tools. The OMWI Data Dictionary enables D&I examiners to communicate with the regulated entities about data required in the examination process. The OMWI Data System standardizes the collection and management of all DEI data.



OMWI has successfully met each of its three strategic goals outlined in the *OMWI Strategic Plan for FY 2019–FY 2021*, which closely aligned with *FHFA's Strategic Plan FY 2021–FY 2024*⁸ and statutory DEI mission:

- Goal 1: Strengthen the Understanding of Diversity, Inclusion, and Equal Opportunity to Drive Cultural Awareness.
- Goal 2: Deliver Meaningful Diversity and Inclusion Communication.
- Goal 3: Ensure OMWI Organizational Sustainability.

⁸As of the date of this Report, FHFA has revised its Strategic Plan in the *Draft FHFA Strategic Plan: Fiscal Years 2022-2026* (Strategic Plan) which it published for public input. The public input ended on March 11, 2022, and FHFA is in the process of finalizing the Strategic Plan.

B. FHFA Workforce Diversity and Inclusion

Through OMWI's leadership, the Agency has continued to build and retain an accomplished and diverse workforce. Attracting, retaining, motivating, and promoting staff with a broad range of skillsets, backgrounds, and viewpoints cements FHFA as a diverse, nimble regulator prepared to rise to the challenges of today and tomorrow. This section (Workforce Diversity; Workforce Comparison; Management; Mission-Critical Occupations (MCO); Internships; Successes; and Challenges) provides information on the demographics of the Agency's workforce, as well as its related DEI strategies, successes, and challenges.

I. Workforce Diversity

OMWI collaborates with the Agency's Office of Human Resources Management (OHRM) to collect and analyze employee data. OMWI reviews workforce data and gauges progress over time using multi-year trends with demographic data for the federal sector and the Civilian Labor Force (CLF) as benchmark comparisons. As reflected in **Tables 1** and **2**, in 2021 FHFA increased its staff size by 16.7 percent since 2017.

FHFA encourages all employees to report their race, sex, and disability status for purposes of maintaining accurate workforce data. In increasing the Agency's workforce, FHFA has continued to demonstrate positive outcomes driven by its commitment to DEI. In only one year, the Agency's total minority population increased from 44.3 percent in 2020⁹ to 46.7 percent in 2021 (52 of 102 new employees were minorities). The following racial and ethnic groups comprised FHFA's minority workforce in 2021: African American (23.0 percent); Hispanic (4.8 percent); Asian (16.3 percent); and two or more races (2.6 percent).¹⁰

⁹ Federal Housing Finance Agency, Office of Minority and Women Inclusion, OMWI Annual Report to Congress (Washington, DC, 2020), 5, https://www.fhfa.gov/AboutUs/Reports/ReportDocuments/Post_508_FHFA-OMWI-2020-Annual-Report.pdf

¹⁰ Employees who self-identified as two or more races have ancestry from more than one of the following groups: White, Black or African American, Native Hawaiian/Other Pacific Islander, Asian, or Native American. Consistent with EEO reporting requirements, OMWI has updated the categorization of Hispanic employees so that employees who self-identified as Hispanic and other race/ethnicities are categorized as Hispanic instead of Two or More races, as presented in past Annual Reports to Congress.



2021 OMWI Annual Report to Congress

Table 1: Diversity in FHFA Workforce as of December 31, 2021¹¹

Race and Ethnicity	Female		Male		All	
	#	%	#	%	#	%
Total¹²	300	43.4	392	56.6	692	100.0
Non-Minority	126	18.2	240	34.7	366	52.9
Total Minorities	174	25.1	149	21.5	323	46.7
Unidentified Race/Ethnicity	0	0.0	3	0.4	3	0.4
African American	102	14.7	57	8.3	159	23.0
Hispanic	16	2.3	17	2.5	33	4.8
Asian	43	6.2	70	10.1	113	16.3
Native American	0	0.0	0	0.0	0	0.0
Two or More Races	13	1.9	5	0.7	18	2.6

Table 2: Diversity in FHFA Workforce as of December 31, 2017

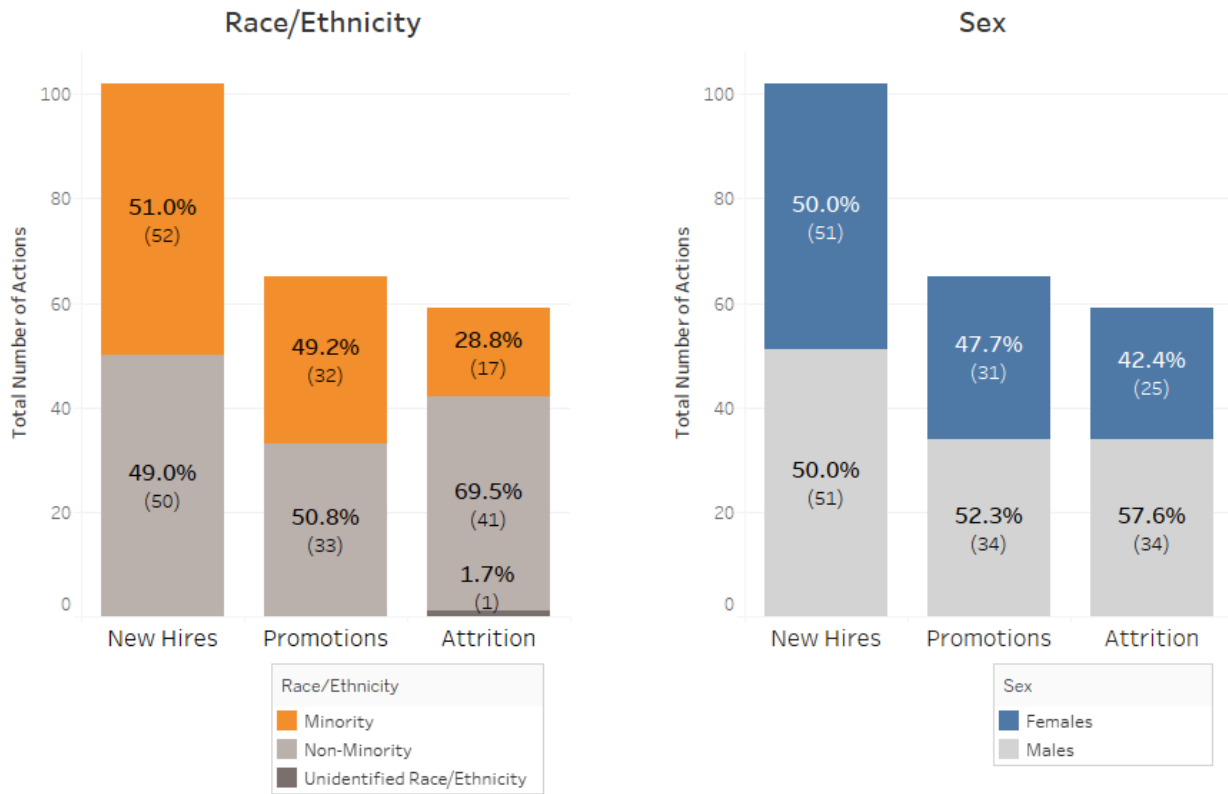
Race and Ethnicity	Female		Male		All	
	#	%	#	%	#	%
Total	263	44.4	330	55.6	593	100.0
Non-Minority	122	20.6	221	37.3	343	57.8
Total Minorities	141	23.8	107	18.0	248	41.8
Unidentified Race/Ethnicity	0	0.0	2	0.3	2	0.3
African American	88	14.8	40	6.7	128	21.6
Hispanic	15	2.5	17	2.9	32	5.4
Asian	29	4.9	45	7.6	74	12.5
Native American	0	0.0	1	0.2	1	0.2
Two or More Races	9	1.5	4	0.7	13	2.2

¹¹ Percentages in tables throughout this Report may vary by 0.2 points due to rounding and calculated based on the Total All # value.

¹² The total employee row sums the total non-minority, total minority, and unidentified employees in Tables 1 through 5 in Section B. FHFA Workforce Diversity and Inclusion.



Figure 1: Diversity in FHFA Employment Actions in 2021



OMWI also analyzes hiring, promotions, and attrition data to gain insights for recruitment strategies, career mobility, and retention. FHFA employment actions in 2021 are reflected in **Figure 1**.

New Hires – Of the 102 employees hired in 2021, minorities and females represented 51.0 percent and 50.0 percent, respectively. FHFA hired a higher percentage of minorities than the proportion of minority employees in both the federal workforce (38.4 percent) and the CLF (32.5 percent) benchmarks, and the hiring rate for females is above both benchmarks at 44.4 percent and 48.2 percent, respectively. See **Table 3** for a comparison of FHFA’s 2021 workforce to the two benchmarks.

Promotions – Of the 65 employees promoted in 2021, minorities and females represented 49.2 percent and 47.7 percent, respectively, with 50.8 percent of the promotions given to non-minority employees.

Attrition – Females (42.4 percent) and minorities (28.8 percent) accounted for smaller proportions of the 59 separations from the Agency in 2021 than males and non-minority employees (57.6 percent and 69.5 percent, respectively).



II. FHFA Workforce Comparison

FHFA evaluates the composition of its workforce compared to the federal workforce and the CLF. Federal workforce data is provided by the Office of Personnel Management (OPM), and 2018 CLF information is released by the U.S. Census Bureau. As shown in **Table 3**, the overall representation of minorities in FHFA’s workforce (46.7 percent) was higher than both benchmarks, although the levels of minority representation varied among the specific racial and ethnic groups.

Table 3: Workforce Comparison (in percentages)

Race, Ethnicity, and Sex	Federal Workforce as of September 2021 ¹³	Civilian Labor Force as of 2018 ¹⁴	FHFA Workforce as of December 31, 2021
Total Male	55.6	51.8	56.6
Total Female	44.4	48.2	43.4
Non-Minority	61.2	67.5	52.9
Total Minorities	38.4	32.5	46.7
Unidentified Race/Ethnicity	0.4	0.0	0.4
African American	18.4	12.3	23.0
Hispanic	9.5	13.0	4.8
Asian	6.5	4.4	16.3
Native American	1.6	0.6	0.0
Two or More Races	2.0	2.1	2.6

III. Mission-Critical Occupations

Most of FHFA’s workforce consists of the following six mission-critical occupations (MCOs): Economists (0110); Policy Analysts (a subset of the Management and Program Analyst series) (0343); Accountants (0510); Financial Institution Examiners (0570); General Attorneys (0905); and Financial Analysts (1160), all with expertise in housing finance and policy. These MCOs require highly skilled practitioners with substantive knowledge of, and significant experience in,

¹³“FedScope: Federal Workforce Data,” Fiscal Year 2021, U.S. Office of Personnel Management, <https://www.fedscope.opm.gov> [refer to Year-to-Year Data Cube for Diversity and Employment Trends].

¹⁴“2014—2018 EEO Tables”, CLF Data as of 2018, U.S. Census Bureau, <https://www.census.gov/acs/www/data/eo-data/eo-tables-2018>.



2021 OMWI Annual Report to Congress

examining, analyzing, and/or evaluating large complex financial institutions and mortgage finance products and services. Historically, minorities and females have been significantly underrepresented in some of these MCOs. FHFA, however, works diligently to attract outstanding talent from other financial regulatory agencies, the private sector, and academia to achieve its mission. The Agency is also committed to increasing the diversity and equity of the pipeline to these MCOs through its internship program and increased outreach, education, and promotion of opportunities in FHFA to underrepresented populations.

Tables 4 and 5 show participation rates and the racial/ethnic and gender representations within each MCO at FHFA in 2021 compared to 2017.

Table 4: Diversity in FHFA Top Six Mission Critical Occupations as of December 31, 2021

Race, Ethnicity, and Sex*	Economists 0110		Policy Analysts 0343		Accountants 0510		Financial Institution Examiners 0570		Attorneys 0905		Financial Analysts 1160		Total	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Total	54	100.0	41	100.0	25	100.0	208	100.0	42	100.0	81	100.0	451	100.0
TM	33	61.1	16	39.0	15	60.0	143	68.8	22	52.4	53	65.4	282	62.5
TF	21	38.9	25	61.0	10	40.0	65	31.3	20	47.6	28	34.6	169	37.5
Total Non-Minority	34	63.0	25	61.0	11	44.0	112	53.8	23	54.8	47	58.0	252	55.9
Total Minorities	19	35.2	16	39.0	14	56.0	95	45.7	19	45.2	34	42.0	197	43.7
Unidentified M/F	1	1.9	0	0.0	0	0.0	1	0.5	0	0.0	0	0.0	2	0.4
WM	20	37.0	10	24.4	8	32.0	86	41.3	11	26.2	33	40.7	168	37.3
WF	14	25.9	15	36.6	3	12.0	26	12.5	12	28.6	14	17.3	84	18.6
AAM	0	0.0	1	2.4	2	8.0	24	11.5	5	11.9	9	11.1	41	9.2
AAF	2	3.7	7	17.1	1	4.0	17	8.2	3	7.1	7	8.6	37	8.2
HM	2	3.7	1	2.4	1	4.0	5	2.4	3	7.1	2	2.5	14	3.1
HF	1	1.9	0	0.0	0	0.0	2	1.0	4	9.5	1	1.2	8	1.8
AM	9	16.7	3	7.3	3	12.0	27	13.0	3	7.1	9	11.1	54	12.0
AF	4	7.4	2	4.9	6	24.0	15	7.2	1	2.4	6	7.4	34	7.5
NAM	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
NAF	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
2M	1	1.9	1	2.4	1	4.0	0	0.0	0	0.0	0	0.0	3	0.7
2F	0	0.0	1	2.4	0	0.0	5	2.4	0	0.0	0	0.0	6	1.3

*Key: TM-Total Male; TF-Total Female; WM-White Male; WF-White Female; AAM-African American Male; AAF-African American Female; HM-Hispanic Male; HF-Hispanic Female; AM-Asian Male; AF-Asian Female; NAM-Native American Male; NAF-Native American Female; 2M-Two or More Races Male; and 2F-Two or More Races Female



Table 5: Diversity in FHFA Top Six Mission Critical Occupations as of December 31, 2017

Race, Ethnicity, and Sex*	Economists 0110		Policy Analysts 0343		Accountants 0510		Financial Institution Examiners 0570		Attorneys 0905		Financial Analysts 1160		Total	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Total	37	100.0	44	100.0	24	100.0	172	100.0	36	100.0	67	100.0	380	100.0
TM	24	64.9	21	47.7	14	58.3	110	64.0	20	55.6	44	65.7	233	61.3
TF	13	35.1	23	52.3	10	41.7	62	36.0	16	44.4	23	34.3	147	38.7
Total Non-Minority	24	64.9	24	54.5	13	54.2	109	63.4	25	69.4	41	61.2	236	62.1
Total Minorities	13	35.1	20	45.5	11	45.8	62	36.1	11	30.6	26	38.8	143	37.6
Unidentified M/F	0	0.0	0	0.0	0	0.0	1	0.6	0	0.0	0	0.0	1	0.3
WM	17	45.9	10	22.7	8	33.3	78	45.3	13	36.1	26	38.8	152	40.0
WF	7	18.9	14	31.8	5	20.8	31	18.0	12	33.3	15	22.4	84	22.1
AAM	0	0.0	1	2.3	1	4.2	14	8.1	3	8.3	8	11.9	27	7.1
AAF	2	5.4	5	11.4	0	0.0	14	8.1	2	5.6	6	9.0	29	7.6
HM	0	0.0	3	6.8	2	8.3	6	3.5	2	5.6	2	3.0	15	3.9
HF	1	2.7	2	4.5	0	0.0	2	1.2	1	2.8	0	0.0	6	1.6
AM	6	16.2	5	11.4	2	8.3	11	6.4	2	5.6	8	11.9	34	8.9
AF	3	8.1	1	2.3	5	20.8	13	7.6	1	2.8	1	1.5	24	6.3
NAM	0	0.0	1	2.3	0	0.0	0	0.0	0	0.0	0	0.0	1	0.3
NAF	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
2M	1	2.7	1	2.3	1	4.2	0	0.0	0	0.0	0	0.0	3	0.8
2F	0	0.0	1	2.3	0	0.0	2	1.2	0	0.0	1	1.5	4	1.1

*Key: TM-Total Male; TF-Total Female; WM-White Male; WF-White Female; AAM-African American Male; AAF-African American Female; HM-Hispanic Male; HF-Hispanic Female; AM-Asian Male; AF-Asian Female; NAM-Native American Male; NAF-Native American Female; 2M-Two or More Races Male; and 2F-Two or More Races Female

- **Economists (0110)** – The number of minority Economists increased from 13 in 2017 to 19 in 2021. Female representation increased in number (from 13 in 2017 to 21 in 2021) and as a percentage of total Economists (from 35.1 percent in 2017 to 38.9 in 2021).
- **Policy Analysts (0343)** – The number of Policy Analysts decreased from 44 in 2017 to 41 in 2021. Along with the decrease in the size of the MCO over five years, the gender and racial composition of Policy Analysts changed with an 8.7 percentage point increase in female representation, which resulted in females surpassing males as the majority in this series. The Policy Analyst minority representation decreased by 20.0 percent, from 20 minority employees in 2017 to 16 in 2021.
- **Accountants (0510)** – In comparison to 2017, the total number of Accountants at FHFA increased by one. The five-year comparison between **Table 4** and **Table 5** shows



identical numbers (10) of female Accountants, yet with a 1.7 percentage point decrease in 2021 because of the larger denominator.

- **Financial Institution Examiners (0570)** – As the Agency expanded its supervision resources, FHFA increased the number of Financial Institution Examiners from 172 in 2017 to 208 in 2021. Notably, in 2021, FHFA saw a 53.2 percent increase in minority employees within this MCO compared to 2017, from 62 to 95. This expansion resulted in minority examiners representing 45.7 percent of all examiners in 2021, compared to 36.1 percent in 2017.
- **Attorneys (0905)** – FHFA increased the number of Attorneys from 36 in 2017 to 42 in 2021. Female Attorneys increased from 16 to 20 resulting in 47.6 percent female representation, up from 44.4 percent in 2017. In addition, minority Attorneys increased by eight to 45.2 percent minority representation, from 30.6 percent in 2017.
- **Financial Analysts (1160)** – FHFA experienced a significant increase in the number of Financial Analysts (81 in 2021 compared to 67 in 2017). The number and proportion of females and minorities in this series also increased in the MCO. The proportion of females increased from 34.3 percent in 2017 to 34.6 percent in 2021, and minorities increased from 38.8 percent in 2017 to 42.0 percent in 2021.

From 2017 to 2021, among MCOs at FHFA, Native Americans were only represented in the Policy Analyst occupation. Although representation of minorities and females across the Agency's top six MCOs rose to 43.7 percent and 37.5 percent, respectively, there were no Hispanic female Accountants or African American male Economists at FHFA during the five-year period.

IV. Management

FHFA's management team consists of employees with leadership skills and broad perspectives from years of experience in government, private sector, and/or academia. These employees are classified under the FHFA executive pay band category Leadership Level (LL) and the supervisory or upper management grades EL-14 through EL-15. **Tables 6** through **9** depict the number and percentage of FHFA's EL-14 and EL-15 supervisors, as well as executives, by race, ethnicity, and gender in 2021 compared to 2017.



Table 6: Diversity in FHFA’s EL-14 and EL-15 Supervisors as of December 31, 2021

Race and Ethnicity	Female		Male		All	
	#	%	#	%	#	%
Management Total	41	48.8	43	51.2	84	100.0
Non-Minority	16	19.0	26	31.0	42	50.0
Total Minorities	25	29.8	17	20.2	42	50.0
African American	17	20.2	4	4.8	21	25.0
Hispanic	1	1.2	5	6.0	6	7.1
Asian	6	7.1	8	9.5	14	16.7
Two or More Races	1	1.2	0	0.0	1	1.2

Table 7: Diversity in FHFA’s EL-14 and EL-15 Supervisors as of December 31, 2017

Race and Ethnicity	Female		Male		All	
	#	%	#	%	#	%
Management Total	31	49.2	32	50.8	63	100.0
Non-Minority	17	27.0	21	33.3	38	60.3
Total Minorities	14	22.2	11	17.5	25	39.7
African American	8	12.7	4	6.3	12	19.0
Hispanic	3	4.8	3	4.8	6	9.5
Asian	1	1.6	3	4.8	4	6.3
Two or More Races	2	3.2	1	1.6	3	4.8

Although a comparison of the data in **Tables 6** and **7** shows a decrease in the proportion of female supervisors from 49.2 percent in 2017 to 48.8 percent in 2021, there was a marked 78.6 percent increase in the number of minority female supervisors, from 14 to 25. In 2021, there were 17 minority male supervisors compared to 11 in 2017 (a 54.5 percent increase). Additionally, total minority supervisors increased from 39.7 percent in 2017 to 50.0 percent in 2021, which matched the percentage of non-minority supervisors.



Table 8: Diversity in FHFA’s Executives as of December 31, 2021

Race and Ethnicity	Female		Male		All	
	#	%	#	%	#	%
Executive Total	18	31.6	39	68.4	57	100.0
Non-Minority	9	15.8	31	54.4	40	70.2
Total Minorities	9	15.8	8	14.0	17	29.8
African American	5	8.8	4	7.0	9	15.8
Hispanic	1	1.8	1	1.8	2	3.5
Asian	1	1.8	3	5.3	4	7.0
Two or More Races	2	3.5	0	0.0	2	3.5

Table 9: Diversity in FHFA’s Executives as of December 31, 2017

Race and Ethnicity	Female		Male		All	
	#	%	#	%	#	%
Executive Total	15	31.9	32	68.1	47	100.0
Non-Minority	6	12.8	29	61.7	35	74.5
Total Minorities	9	19.1	3	6.4	12	25.5
African American	5	10.6	1	2.1	6	12.8
Hispanic	3	6.4	1	2.1	4	8.5
Asian	0	0	1	2.1	1	2.1
Two or More Races	1	2.1	0	0.0	1	2.1

As FHFA’s workforce has grown to support the Agency in executing its mission and achieving its strategic goals, the executive staff has also grown. FHFA is committed to ensuring diverse representation at all levels of the Agency, including the executive level. **Table 8** compared with **Table 9** shows an increase in the total number of female executives from 15 in 2017 to 18 in 2021, although the proportion of female executives decreased from 31.9 percent in 2017 to 31.6 percent in 2021. During the same period, the proportion of non-minority males in executive roles decreased from 61.7 percent to 54.4 percent. However, the number of minority males in executive roles more than doubled from three in 2017 to eight in 2021, a 7.6 percentage point increase (from 6.4 percent in 2017 to 14.0 percent in 2021).

V. Internships

Each year the Agency typically sponsors its Pathways Summer Internship Program (PSIP) for college and graduate students, as well as recent college graduates. Building on the transition to a distance learning program in 2020, each FHFA division and office had the opportunity to participate in the 2021 PSIP virtually. PSIP provides meaningful training and career development opportunities for individuals interested in a career in financial services or the



federal government, especially those pursuing an undergraduate or graduate degree in economics, financial or business management, statistics, mathematics, accounting, and information technology. These internships are paid positions where students are provided assignments that correlate to their path of study (e.g., finance, economics, human resources, law, and technology).

FHFA hosted 23 PSIP interns in 2021. Students came to FHFA from various schools, acclimated quickly to their new roles, and made significant contributions to their teams. The interns worked on a number of projects that strengthened their interpersonal, technical, and analytical skills such as developing Tableau dashboards, creating software programs, designing program requirements and guidance, and performing audits of examination workpapers. They also participated in “Lunch and Learn” events led by several of FHFA’s senior leaders, as well as a Friday series entitled, “Securitization 101.” The 45-minute training modules covered the Enterprises’ and the FHLBanks’ mission and operations and provided interns with background knowledge to assist in their assignments. **Table 10** shows the diversity profile of the 2021 interns who completed PSIP. Of the 23 individuals, 52.2 percent were female, and 30.4 percent identified as minorities.

Table 10: Diversity in 2021 Summer Interns as of December 31, 2021

Race and Ethnicity	Female		Male		All	
	#	%	#	%	#	%
Intern Total	12	52.2	11	47.8	23	100.0
Non-Minority	8	34.8	8	34.8	16	69.6
Total Minorities	4	17.4	3	13.0	7	30.4
African American	2	8.7	1	4.3	3	13.0
Hispanic	0	0.0	1	4.3	1	4.3
Asian	2	8.7	0	0.0	2	8.7
Native American	0	0	0	0.0	0	0
Two or More Races	0	0.0	1	4.3	1	4.3

VI. Successes

a. Management Development and Employee Training

All managers and employees require certain skills and abilities to succeed and grow in their positions. FHFA emphasizes the value of outstanding leadership and recognizes that executives, supervisors, and managers are the key to ensuring a culture of inclusion across the Agency. To that end, FHFA’s self-directed leadership development model typically combines traditional classroom-based training and online learning with multiple courses on DEI and EEO topics. Due to the shift to mandatory telework in March 2020, however, the training was offered solely online in 2021. FHFA’s commitment to DEI training aligns with **OMWI Strategic Plan Goal 1**



(Strengthen the Understanding of Diversity, Inclusion, and Equal Opportunity to Drive Cultural Awareness).

In addition, FHFA makes training available each year on discriminatory harassment and workplace civility in order to reduce disrespectful conduct and harassment. In 2021, the Acting Director approved the *2021 FHFA EEO Policy Statement*, further demonstrating the Agency's commitment to the principles of equality and fairness in all stages of the employment lifecycle. The policy holds everyone at FHFA responsible for creating and maintaining a workplace where employees can reach their potential in a safe environment based on mutual respect and the ability to exercise their civil rights.

In 2021, new FHFA employees received a virtual ethics briefing and related materials within two weeks after joining the Agency. FHFA's Ethics Office within the Office of the General Counsel (OGC) provides annual ethics training to all employees, accessible both online and through a mobile application (FHFA Ethics app). The training focuses on the importance of observing FHFA's values and avoiding actions that may be "lawful but awful." The FHFA Ethics app, which also includes summaries of federal ethics rules and Agency policies, as well as contact information for FHFA's Ethics Office, FHFA-Office of Inspector General, U.S. Office of Government Ethics, and the U.S. Office of Special Counsel, reaffirms FHFA's commitment to promoting its core values and the highest level of integrity. In 2021, the Ethics Office introduced updated modules within the FHFA Ethics app and provided an informative presentation on the intersection of ethics and civic participation. Quarterly ethics newsletters sent to all FHFA employees featured principles of ethical behavior, updates from the U.S. Office of Government Ethics, and other information supporting DEI.

b. Diversity Awareness Education for the Workforce

OMWI is responsible for leading FHFA's inclusion efforts, such as DEI education throughout the year as part of SEP. These events support **OMWI Strategic Plan Goal 1** (Strengthen the Understanding of Diversity, Inclusion, and Equal Opportunity to Drive Cultural Awareness) and **Goal 2** (Deliver Meaningful Diversity and Inclusion Communication).

To foster awareness among employees and promote inclusion within the Agency, OMWI collaborates with the SEP Committee¹⁵ to develop and organize several educational and cultural events, including three areas specifically required by regulation: the Hispanic Employment Program, Federal Women's Program, and Program for Persons with Disabilities.¹⁶ OMWI organized, and other divisions or offices co-sponsored, events to commemorate the following groups or historic days: Martin Luther King, Jr. Day; African American History Month;

¹⁵ The SEP Committee was formed by OMWI in July 2018, as an employee engagement and inclusion strategy to facilitate the development and production of SEP events.

¹⁶ See 29 CFR 1614.102.



Women’s History Month; Holocaust Remembrance Day; Asian American and South Pacific Islander Heritage Month; Lesbian, Gay, Bisexual, and Transgender Month; Juneteenth; Women’s Equality Day; National Hispanic Heritage Month; National Disability Awareness Month; Veterans Day; and Native American Heritage Month. (See [Appendix A](#) for a detailed list of the 2021 co-sponsored SEP events.)

OMWI has continued to host SEP virtually and has received positive feedback, which is reflected in the exponential increase in staff participation at each event compared to the in-person attendance prior to remote work made necessary by the COVID-19 pandemic. OMWI’s transition to virtual SEP and DEI programming increased the accessibility and durability of the DEI education offered to FHFA employees. SEP events serve as a pillar of FHFA’s community and workplace culture. The programs present an opportunity for the FHFA community to come together and grow their DEI knowledge through the experiences of guest speakers, cultural events, and personal stories.

In the spirit of OMWI’s **Strategic Objective 1.2**,¹⁷ OMWI continues to collaborate across the Agency in developing and implementing a strong DEI educational framework. As part of this effort, DEI programming and communication in 2021 included the development of a recurring DEI Author Series, webinars co-sponsored by Agency divisions and offices, and educational resources available to staff. FHFA regularly informs employees about DEI activities, training, and related policies through frequent postings in a weekly electronic staff newsletter, the FHFA intranet, and increased digital communications displayed on the Agency’s events rotator.

FHFA’s Section 508 Program,¹⁸ under the supervision of FHFA’s Chief Operating Officer and Chief Information Officer, offers periodic information sharing sessions for FHFA divisions and offices to increase accessibility with Information Communications Technology (ICT) developed, procured, maintained, or used by the Agency. In 2021, FHFA’s 508 Program undertook a review of externally posted PDFs, and program analysts began hosting meetings within the Agency to increase awareness of the need to make such documents accessible in accordance with the law. To address changes to Section 508 revised standards in 2018 and subsequent updates in the Federal Acquisition Regulation in 2020, FHFA modified existing contracting processes to capture solicitation and selection of new ICT and outlined accessibility plans to meet needs of end-users with disabilities for newly acquired ICT products. The Agency’s 508 Compliance Specialist continues to collaborate with each division and office to provide training and guidance to further enhance compliance.

¹⁷ “OMWI Strategic Plan FY2019 – FY2021”, page 7, published October 2018, https://www.fhfa.gov/AboutUs/Reports/ReportDocuments/FY19-FY21_OMWI_Strategic_Plan.pdf

¹⁸ 29 U.S.C. § 794(d)



c. Workforce Culture – Employee Engagement

OMWI announced the new *Employee Resource Group (ERG) Policy* and program in 2021 and will function as the overall program coordinator for FHFA ERGs. ERGs are voluntary, employee-led groups that are developed based on common interests, backgrounds, or demographic factors such as race, gender, or ethnicity. ERGs can create key networking opportunities for employees, particularly as the Agency navigates the current remote work environment and as FHFA transitions to a hybrid model of work.

OMWI also initiated the Agency-wide “Let’s Talk” series, which addressed race, equity, and social justice by creating an intentional and safe space for a deeper understanding of the value of DEI within the Agency and its importance to FHFA’s mission and workplace. During the voluntary 90-minute “Let’s Talk” sessions, employees gathered in small groups of no more than 12 employees, with a trained facilitator directing questions. OMWI hosted 10 virtual sessions throughout the year, and employees across the Agency provided positive feedback on the opportunity to bridge gaps in workforce culture and DEI competence.

In celebration of Women’s History Month, OMWI and the Office of Congressional Affairs and Communications (OCAC) hosted a panel discussion with women leaders entitled, “Challenges Women Leaders Face and How to Overcome Them.” The panel featured leaders from FHFA, National Aeronautics and Space Administration, U.S. Department of Housing and Urban Development, and Udarta Consulting, LLC, a collaborative consultancy focusing on DEI as well as accessibility and belonging. The panelists shared their experiences of overcoming various challenges and obstacles and their non-linear career paths on the way to success. The discussion also emphasized the importance of allyship in supporting not only women, but also other groups who have been traditionally marginalized. The event was attended by more than 200 employees. Programs that call for collaboration across the Agency’s divisions and offices engender greater employee engagement, foster a positive workforce culture, and offer opportunities for deeper understanding among staff. The Women’s History Month program provided one such opportunity.

Lastly, OMWI, OHRM, and OEOF co-sponsored a speaker at one event under the DEI Author Series with more than 120 staff in attendance. The speaker, a licensed psychologist who presented on the Neuroscience of Psychological Safety and Trust Culture in the workplace, shared many practical tips, exercises, and resources for managers and supervisors to follow to engender a more culturally trusting environment. The well received program sparked meaningful conversation and demonstrated the Agency commitment to employee wellness.

d. Diversity Recruitment

FHFA’s ongoing recruitment strategy has resulted in new external networking opportunities and internal collaborations from which to develop a diverse pool of applicants. The pandemic necessitated a transition to virtual recruiting. Since 2020, FHFA’s virtual recruiting process has continued to evolve to meet the needs of internal as well as external stakeholders.



FHFA is continuing to integrate DEI into each stage of the Agency's recruitment efforts. To that end, OMWI arranged with OHRM to receive weekly alerts about potential employment opportunities that may arise, thereby allowing OMWI more lead time to target a diverse talent pool at universities, colleges, and other organizations. OMWI and OHRM collaborated regularly throughout 2021 on recruitment and hiring strategies and participated in joint activities and outreach events sponsored by professional associations and other organizations serving minorities, women, veterans, and individuals with disabilities. The following is a list of representative events:

- Recruit Military Career Fair
- ASCEND
- Prospanica
- HBCU Marketplace
- Recruit Military
- Careers & the disABLED Career Fair

VII. Challenges

While FHFA moved into Phase 2 of its return-to-office plan in 2021 (where no more than 33 percent of the workforce located at the DC headquarters were allowed to voluntarily return to the physical space), the Agency strongly encouraged maximum telework as the pandemic, exacerbated by variants, continued to be widespread in 2021. Examination activities and outreach programs continued virtually, and OMWI continued to offer virtual DEI training and host events that facilitated connections among employees working remotely across the Agency.



C. FHFA Business Diversity and Inclusion

I. Contracting Activities and Five-Year Analysis

FHFA's DEI obligations also extend to its contracting activities. To meet the requirement to promote diversity and ensure the inclusion and utilization of MWOBs in the Agency's business activities, FHFA strives to increase the percentage of its funds obligated under contracting actions with MWOBs, consistent with legal standards. For purposes of this Report, contracting actions include contract awards, contract modifications, and contract cancellations. Contract obligations¹⁹ reflect the total amount of dollars obligated and de-obligated on contracts throughout calendar year 2021.

In 2021, FHFA executed 680 contract actions with a total spend of \$72,888,707 (an increase from \$70,322,529 in 2020), of which 271 contract actions were with MWOBs for a total spend of \$13,740,101.²⁰ The 271 contract actions with MWOBs represent 39.9 percent of all contracting actions, and 18.9 percent of the total spend by FHFA, representing a 2.8 percentage point increase from 2020. Similarly, 2021 total spend with MWOBs was higher than in 2020, 2019, and 2017.

¹⁹ The terms "contract obligations" and "contract spend" are used interchangeably.

²⁰ Building leases and interagency agreements are not included in the total actions and spend reported.



Tables 11 and 12 provide a historical breakdown, from 2017 through 2021, of contracting actions and percentages, as well as the dollar value of obligations to MWOBs.

Table 11: FHFA Five-Year Contracting Actions Overview 2017 - 2021

Business Diversity Status	Calendar Year									
	2021		2020		2019		2018		2017	
	#	%	#	%	#	%	#	%	#	%
FHFA Contract Actions	680	100.0	569	100.0	474	100.0	512	100.0	499	100.0
All Other Businesses	409	60.1	367	64.5	302	63.7	289	56.5	285	57.1
MWOBs²¹	271	39.9	202	35.5	172	36.3	223	43.6	214	42.9
Minority-Owned	157	23.1	118	20.7	100	21.1	146	28.5	136	27.3
<i>Women-Owned</i>	190	27.9	138	24.3	114	24.1	138	27.0	151	30.3
Asian American	34	5.0	30	5.3	32	6.8	45	8.8	43	8.6
<i>Women-Owned</i>	15	2.2	7	1.2	9	1.9	21	4.1	18	3.6
Native American	27	4.0	19	3.3	12	2.5	24	4.7	19	3.8
African American	56	8.2	45	7.9	26	5.5	27	5.3	45	9.0
<i>Women-Owned</i>	37	5.4	29	5.1	16	3.4	15	2.9	37	7.4
Hispanic American	40	5.9	24	4.2	30	6.3	50	9.8	29	5.8
<i>Women-Owned</i>	24	3.5	18	3.2	17	3.6	25	4.9	18	3.6
Women-Owned <i>No Minority Status</i>	114	16.8	84	14.8	72	15.2	77	15.0	78	15.6

²¹ In Tables 11 through 14 in Section C. FHFA Business Diversity and Inclusion: For the MWOBs category, the number reported is the number of Women-Owned businesses (no minority status), Minority-Owned businesses (but not Women-Owned), and businesses that are both Women- and Minority-Owned. In the separate Minority-Owned and Women-Owned categories, double counting occurs as these figures include businesses that are both Minority- and Women-Owned. Thus, if added together, the Minority-Owned and Women-Owned categories may be greater than the total number of MWOBs.



2021 OMWI Annual Report to Congress

Table 12: FHFA Five-Year Spend Overview 2017 - 2021²²

Business Diversity Status	Calendar Year									
	2021		2020		2019		2018		2017	
	# of Dollars Obligated	% of Dollars Obligated	# of Dollars Obligated	% of Dollars Obligated	# of Dollars Obligated	% of Dollars Obligated	# of Dollars Obligated	% of Dollars Obligated	# of Dollars Obligated	% of Dollars Obligated
FHFA Total Dollars Obligated	\$72,888,707	100.0	\$70,322,529	100.0	\$48,405,308	100.00	\$44,857,375	100.00	\$43,674,403	100.00
All Other Businesses	\$59,148,605	81.1	\$58,972,863	83.9	\$37,662,420	77.8	\$30,974,016	69.1	\$32,040,693	73.4
MWOBs	\$13,740,101	18.9	\$11,349,665	16.1	\$10,742,889	22.2	\$13,883,359	31.0	\$11,633,710	26.6
Minority-Owned	\$10,654,704	14.6	\$9,096,614	12.9	\$7,156,617	14.8	\$11,806,069	26.3	\$9,765,176	22.4
<i>Women-Owned</i>	\$9,669,495	13.3	\$8,615,825	12.3	\$8,151,429	16.8	\$7,655,685	17.1	\$7,464,210	17.1
Asian American	\$3,003,057	4.1	\$2,385,245	3.4	\$1,210,467	2.5	\$6,608,888	14.7	\$4,482,438	10.3
<i>Women-Owned</i>	\$321,385	0.4	\$245,757	0.3	\$148,945	0.3	\$1,058,309	2.4	\$1,713,152	3.9
Native American	\$589,449	0.8	\$505,546	0.7	\$272,178	0.6	\$281,037	0.6	\$281,017	0.6
African American	\$1,769,331	2.4	\$1,071,349	1.5	\$1,012,364	2.1	\$749,528	1.7	\$827,917	1.9
<i>Women-Owned</i>	\$1,358,102	1.9	\$994,413	1.4	\$894,894	1.9	\$744,178	1.7	\$488,962	1.1
Hispanic American	\$5,292,867	7.3	\$5,134,475	7.3	\$4,661,607	9.6	\$4,166,616	9.3	\$4,173,805	9.6
<i>Women-Owned</i>	\$4,904,612	6.7	\$5,122,605	7.3	\$3,521,319	7.3	\$3,775,908	8.4	\$3,393,563	7.8
Women-Owned <i>No Minority Status</i>	\$3,085,397	4.2	\$2,253,051	3.2	\$3,586,271	7.4	\$2,077,290	4.6	\$1,868,534	4.3

²² Rounding causes a difference of \$1 when comparing the sum of obligated dollars for all other businesses and MWOBs to total dollars obligated in 2020 and 2021.

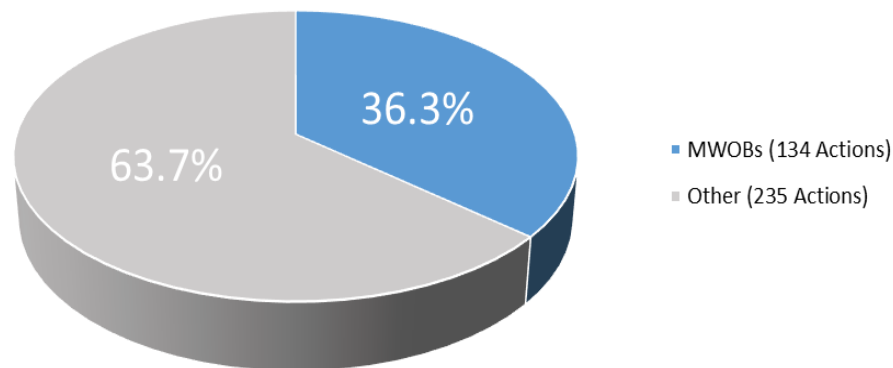
II. FHFA 2021 Top Six NAICS Codes Contracting Actions and Spend

Overview

During 2021, FHFA evaluated the contracting actions and spend as categorized under the North American Industry Classification System (NAICS). NAICS is the standard used by federal agencies in classifying business establishments for collecting, analyzing, and publishing statistical data related to the country’s economy.²³ FHFA’s highest categories of spend in 2021 were in the following NAICS categories and codes: Offices of Lawyers (541110); Other Computer Related Services (541519); Administrative Management and General Management Consulting Services (541611); Credit Bureaus (561450); Software Publishers (511210); and Internet Publishing and Broadcasting and Web Search Portals (519130). These categories correspond generally to legal, information technology (IT), financial, and other services.

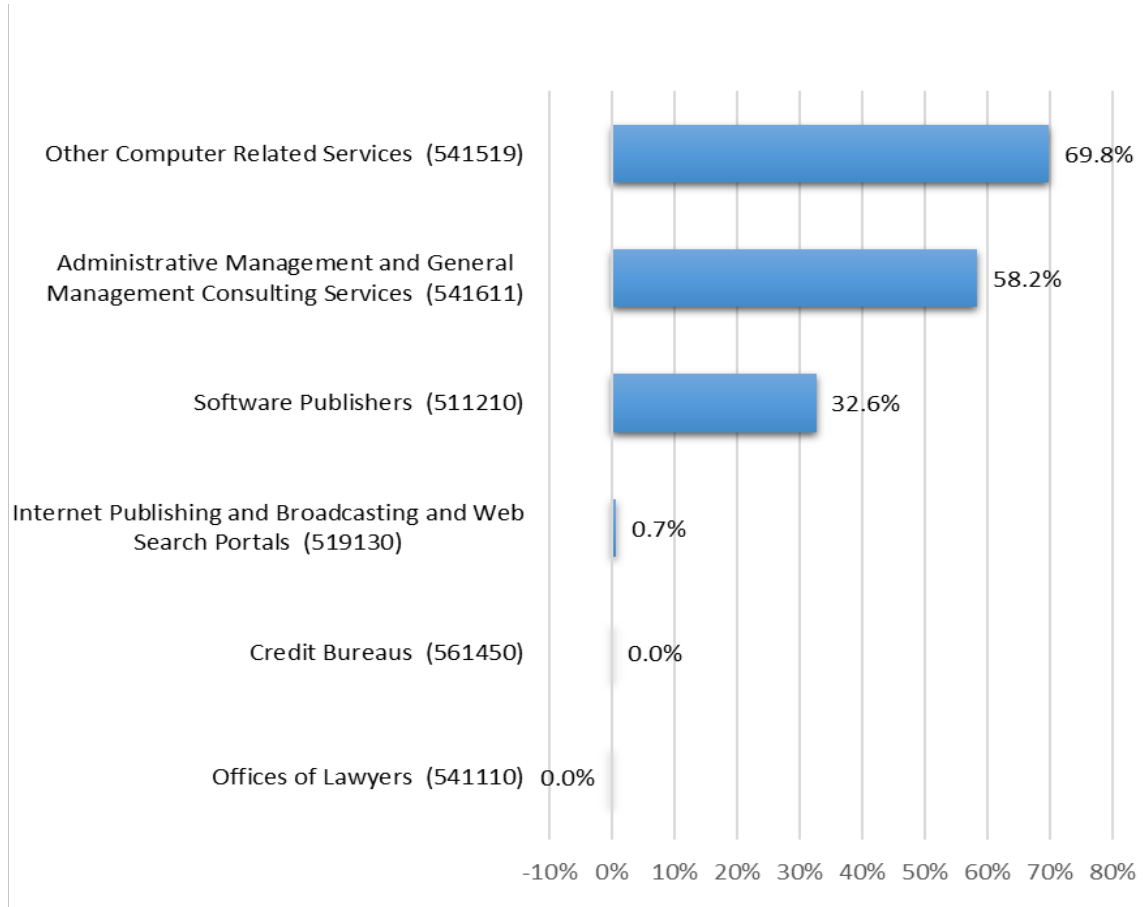
Figure 2 illustrates the distribution of all FHFA contract actions with MWOBs and non-MWOBs in 2021 for the top six NAICS categories. **Figure 3** depicts the distribution of contract awards to MWOBs by NAICS Category. As shown in **Tables 13** and **14**, FHFA had 369 contracting actions in its top six NAICS codes, a total of \$59,344,992 in obligated dollars for those codes, of which 134 contracting actions, or 36.3 percent, were with MWOBs.

Figure 2: FHFA 2021 Top Six NAICS Contracting Actions



²³ North American Industry Classification System, 2017, U.S. Census; <https://census.gov/naics/>.

Figure 3: MWOB Spend Percentage of Top Six NAICS Categories



2021 OMWI Annual Report to Congress

Table 13: FHFA 2021 Top Six NAICS Codes Contracting Actions Overview

Business Diversity Status	541110		541519		541611		561450		511210		519130		Total Top NAICS	
	# Of Actions	% Of Actions	# Of Actions	% Of Actions	# Of Actions	% Of Actions	# Of Actions	% Of Actions	# Of Actions	% Of Actions	# Of Actions	% Of Actions	# Of Actions	% Of Actions
FHFA Contract Actions	65	100.0	125	100.0	101	100.0	7	100.0	38	100.0	33	100.0	369	100.0
Other Businesses	52	80.0	52	41.6	64	63.4	7	100.0	28	73.7	32	97.0	235	63.7
MWOBs	13	20.0	73	58.4	37	36.6	0	0.0	10	26.3	1	3.0	134	36.3
Minority-Owned	3	4.6	37	29.6	36	35.6	0	0.0	5	13.2	1	3.0	82	22.2
Women-Owned	13	20.0	57	45.6	31	30.7	0	0.0	5	13.2	0	0.0	106	28.7
Asian American	0	0.0	18	14.4	4	4.0	0	0.0	5	13.2	1	3.0	28	7.6
<i>Women-Owned</i>	0	0.0	9	7.2	0	0.0	0	0.0	0	0.0	0	0.0	9	2.4
Native American	0	0.0	2	1.6	0	0.0	0	0.0	0	0.0	0	0.0	2	0.5
African American	3	4.6	1	0.8	32	31.7	0	0.0	0	0.0	0	0.0	36	9.8
<i>Women-Owned</i>	3	4.6	0	0.0	30	29.7	0	0.0	0	0.0	0	0.0	33	8.9
Hispanic American	0	0.0	16	12.8	0	0.0	0	0.0	0	0.0	0	0.0	16	4.3
<i>Women-Owned</i>	0	0.0	12	9.6	0	0.0	0	0.0	0	0.0	0	0.0	12	3.3
Women-Owned <i>No Minority Status</i>	10	15.4	36	28.8	1	1.0	0	0.0	5	13.2	0	0.0	52	14.1



2021 OMWI Annual Report to Congress

Table 14: FHFA 2021 Top Six NAICS Codes Spend Overview²⁴

Business Diversity Status	541110		541519		541611		561450		511210		519130		Total Top NAICS	
	# Of Spend ²⁵	% Of Spend	# Of Spend	% Of Spend	# Of Spend	% Of Spend	# Of Spend	% Of Spend	# Of Spend	% Of Spend	# Of Spend	% Of Spend	# Of Spend	% Of Spend
Total Obligated Amount	\$35,877,863 ²⁶	100.0	\$8,814,286	100.0	\$5,665,451	100.0	\$3,520,326	100.0	\$2,874,876	100.0	\$2,592,191	100.0	\$59,344,992	100.0
Other Businesses	\$35,888,308	100.0	\$2,663,783	30.2	\$2,368,168	41.8	\$3,520,326	100.0	\$1,938,107	67.4	\$2,575,291	99.3	\$48,953,983	82.5
MWOBs	(\$10,445) ²⁷	0.0	\$6,150,503	69.8	\$3,297,283	58.2	\$0	0.0	\$936,769	32.6	\$16,900	0.7	\$10,391,009	17.5
Minority-Owned	\$0	0.0	\$3,996,019	45.3	\$3,032,010	53.5	\$0	0.0	\$730,498	25.4	\$16,900	0.7	\$7,775,426	13.1
Women-Owned	(\$10,445)	0.0	\$5,649,077	64.1	\$1,625,746	28.7	\$0	0.0	\$206,271	7.2	\$0	0.0	\$7,470,649	12.6
Asian American	\$0	0.0	\$550,564	6.2	\$1,678,187	29.6	\$0	0.0	\$730,498	25.4	\$16,900	0.7	\$2,976,148	5.0
<i>Women-Owned</i>	\$0	0.0	\$294,476	3.3	\$0	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$294,476	0.5
Native American	\$0	0.0	\$163,227	1.9	\$0	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$163,227	0.3
African American	\$0	0.0	\$92,203	1.0	\$1,353,823	23.9	\$0	0.0	\$0	0.0	\$0	0.0	\$1,446,026	2.4
<i>Women-Owned</i>	\$0	0.0	\$0	0.0	\$1,360,473	24.0	\$0	0.0	\$0	0.0	\$0	0.0	\$1,360,473	2.3
Hispanic American	\$0	0.0	\$3,190,025	36.2	\$0	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$3,190,025	5.4
<i>Women-Owned</i>	\$0	0.0	\$3,200,117	36.3	\$0	0.0	\$0	0.0	\$0	0.0	\$0	0.0	\$3,200,117	5.4
Women-Owned <i>No Minority Status</i>	(\$10,445)	0.0	\$2,154,484	24.4	\$265,273	4.7	\$0	0.0	\$206,271	7.2	\$0	0.0	\$2,615,583	4.4

²⁴ Rounding causes sums to be off by \$1 in some instances. The presented values are nominal.

²⁵ The terms “spend”, and “obligations” are used interchangeably here.

²⁶ CY 2021 obligated amounts for legal services included a particular contract that had three (3) contract obligation actions, covering 20 months of performance from March 1, 2021 to November 3, 2022, based on lapsing periods of performance dates for an expiring contract vehicle and period of performance structures on a new contract vehicle. CY 2022 and subsequent CYs will capture only 12 months of performance and obligated amounts will normalize.

²⁷ Negative value due to de-obligations of prior funds.



III. Successes

a. Contract Awards

On a quarterly basis, FHFA tracks the Agency's total number of contracting actions with MWOBs and the number and percentage of contracts awarded to MWOBs. These measures comply with statutory requirements and help to gauge whether diversity and inclusion efforts result in greater representation of diverse firms.

As reflected in **Table 11**, the number of contract actions increased by 19.5 percent, from 569 in 2020 to 680 during CY 2021. Similarly, the number of contract actions with MWOBs increased by 34.1 percent, from 202 in 2020 to 271 in 2021. The amount of dollars obligated to MWOBs also increased compared to 2020.

Table 12 shows that the total amount of nominal dollars obligated to MWOB contracts increased by 21.1 percent in 2021. In 2021, the amount of dollars obligated in every MWOB category, apart from Hispanic American women-owned businesses, increased.

FHFA successfully awarded the following new major contracts to diverse suppliers:

- Laptop refresh to a women-owned small business (WOSB);
- Web content support services to a minority-owned small business (MOSB);
- Building operations support services to a MOSB/WOSB;
- Physical access control system integration services to a MOSB; and
- Human capital strategic planning services to a WOSB.

b. Supplier Diversity Program

Throughout 2021, FHFA continued its work on important supplier diversity outreach activities to assist potential MWOBs in overcoming any real or perceived barriers to doing business with the Agency. Due to constraints arising from the pandemic, the Agency converted most of its supplier diversity outreach activities to a virtual platform to remain relevant in contracting. While virtual interactions are not tantamount to personal outreach on all levels, they do provide outreach opportunities that were otherwise infeasible in 2021. Nevertheless, the Agency remains committed to expanding opportunities to more diverse business communities.



Section 342 of the Dodd-Frank Act specifically requires the OMWI Director to develop standards for increased participation of MWOBs in the programs and contracts of the Agency, *Contractor Outreach Program Standards*.²⁸ To further support this effort, OMWI created a Supplier Diversity Dashboard that provides a centralized repository of summarized supplier diversity data used to monitor Agency contract spend and contract awards. The automated dashboard has the flexibility to perform multi-year trend analyses across the various demographic categories of vendors.

IV. Challenges

FHFA succeeded by increasing the number of contract actions and obligated dollars awarded to MWOBs in 2021. Despite the Agency's continued commitment to DEI throughout its business activities, there remains room for improvement in representation across the Agency's top six NAICS. Existing relationships and a lack of industry substitutes resulted in reduced opportunity to introduce new MWOBs in Offices of Lawyers (541110), Credit Bureaus (561450), and Internet Publishing and Broadcasting and Web Search Portals (519130). The Agency is still devoting the resources necessary to maintain and, where possible, increase contract dollars obligated to MWOBs. Equipped with the supplier diversity program and Supplier Diversity Dashboard, FHFA will continue to focus on MWOB representation in the three identified NAICS.

²⁸ 12 U.S.C. § 5452(b)(2)(B).



D. Ensuring Diversity and Inclusion at FHFA's Regulated Entities

Under Section 1116 of HERA, FHFA has regulatory, supervisory, and enforcement authority over the D&I programs of its regulated entities, which include workforce, procurement, and financial transactions. HERA's provisions are unique to FHFA and its regulated entities because they require each entity to establish an OMWI, or its functional equivalent, to promote diversity and ensure inclusion in all activities at every level of the respective organization, including employment, management, and contracting. The Rule establishes minimum requirements for the implementation of the D&I policies and procedures of the regulated entities, sets out the scope of HERA's reporting requirements, and requires the regulated entities to develop and implement strategic plans to promote diversity in all activities and at every level of their respective organizations.

In 2021, FHFA completed its fifth year of examinations of the 15 regulated entities' D&I programs. Beginning with the January 2021 examination cycle, the Agency implemented a new D&I ROE and D&I examination rating system, which includes a D&I Composite Rating. The D&I ROE and Composite Rating, the nation's first, issued to each FHFA regulated entity, clearly presents FHFA's assessment of the regulated entities' D&I program performance beyond the narratives previously included in annual safety and soundness examination ROEs.

Due to the pandemic, OMWI continued to conduct virtual examinations in 2021. The D&I examination scope included reviews of aspects of the regulated entities' board of directors' oversight, data management, internal audit, workforce, and strategic planning.

As conservator of Fannie Mae and Freddie Mac, FHFA establishes annual priorities for the Enterprises. Since 2012,²⁹ FHFA has created an annual Conservatorship Scorecard that summarizes the Agency's priorities and expectations for both Enterprises and charts their performance against those goals and objectives. Published in February 2021, the *2021 Scorecard for Fannie Mae, Freddie Mac, and Common Securitization Solutions, LLC*³⁰ required

²⁹ 2012 Conservatorship Scorecard, Published March 9, 2012, <https://www.fhfa.gov/AboutUs/Reports/Pages/2012-Conservatorship-Scorecard.aspx>

³⁰ 2021 Scorecard for Fannie Mae, Freddie Mac, and Common Securitization Solutions, LLC., Published February 16, 2021, <https://www.fhfa.gov/AboutUs/Reports/Pages/2021-Scorecard-for-Fannie-Mae-Freddie-Mac-and-CSS.aspx>



the regulated entities to assess the respective business activities and initiatives listed in the Scorecard for diversity and inclusion opportunities.

In alignment with 12 CFR 1223 and Conservatorship Scorecard requirements, both Enterprises and CSS implemented formalized processes to assess and, where appropriate, integrate diversity and inclusion across their organizations, and in their business activities, programs, and initiatives. In 2021, OMWI provided specific guidance to both Fannie Mae and Freddie Mac to improve their D&I Scorecard Reports.

As part of FHFA's internal efforts to address appraisal equity for potential homeowners, FHFA's Office of Housing and Community Investment and Office of Fair Lending Oversight within the Division of Housing Mission and Goals (DHMG) hosted a panel discussion on the topic of appraisal bias at the annual FHLBank Affordable Housing Advisory Council meeting. The meeting included members from each of the 11 FHLBanks and focused on affordable housing and community investments. Panelists discussed appraisal bias; improving practices and service delivery to Native American/Tribal communities; the future of homeownership and the race-related inequities associated with homeownership; the status of community development and affordable housing legislation; and the Mortgage Bankers Association's 2022 economic and mortgage outlook.

OMWI also represented FHFA on the Education and Outreach Subcommittee of the Interagency Task Force on Property Appraisal and Valuation Equity (PAVE or Task Force). Led by the Secretary of the Department of Housing and Urban Development and the Director of the Domestic Policy Council, PAVE was established in June 2021 to address inequity in home appraisals and root out discrimination in the appraisal and homebuying process. The Task Force has provided an equitable path toward addressing the persistent mis-valuation and undervaluation of properties experienced by families and communities of color. OMWI also participated in the Agency's internal committee on appraisal equity. FHFA's internal committee was a collaboration of multiple Divisions and Offices, including OMWI, the Division of Research and Statistics, OGC, and DHMG, working to determine FHFA-specific actions that could promote equity in the appraisal process and support FHFA's participation in the Task Force.



E. OMWI Operations

The responsibilities of the OMWI Operations function include, but are not limited to, the following activities, all designed with the goal of creating a sustainable OMWI for the future:

- Building a foundational strategic vision, developing a strategic plan to drive the strategy, and committing to metrics that measure the overall health of OMWI;
- Measuring the overall health of OMWI, understanding how each strategic initiative impacts the office, and providing transparency into OMWI's work to make informed decisions;
- Creating a system (processes, tools, and templates) within which OMWI staff can understand the overall organizational structure, prioritize initiatives, and connect back to the business strategy; and
- Ensuring that, at a project or program level, the inclusion of appropriate stakeholders, clear roles, and alignment to the overall strategy exists, and supporting tools and templates are in place.

Throughout 2021, OMWI Operations delivered on numerous strategic goals and objectives. In support of OMWI's expanded examination and supervision duties, OMWI Operations tracked and managed key aspects of supervision policy and examination:

- Established a quality control (QC) and approval policy including QC templates for each OMWI functional area;
- Coordinated D&I ROE preparation and approval based on developed processes and schedules; and
- Implemented new operational tools to support the development, review, and issuance of D&I ROEs inclusive of the D&I Composite Rating.

OMWI's **Strategic Goal 2** is to deliver meaningful DEI communication. In 2021, OMWI Operations developed tools and provided support in the execution of the office's DEI communication strategy by:

- Developing, administering, and analyzing a survey to obtain input from OMWI staff and evaluate best practices for communication and coordination within OMWI;
- Serving as a stakeholder in the Agency's transition to Microsoft's Teams platform for enhanced communication and efficient collaboration; and
- Enhancing and streamlining bi-weekly reporting to the Agency Director for effective communication of OMWI's progress on strategic projects, goals, and objectives.



F. DEI Data Management

The OMWI Data Strategic Plan for FY 2019–FY 2021 represents OMWI’s commitment to leverage DEI data as a strategic asset to facilitate oversight, promote transparency, and increase efficiency across OMWI and its activities in their entirety. To ensure effective implementation, this strategic approach aligns with the OMWI Data Management Framework. This framework is used to facilitate the development of OMWI’s operational structure and applies to the supervision of FHFA’s regulated entities, as well as processes internal to the Agency. It centers on three key areas of standardization and automation, business intelligence tools, and communications and training.

The DEI Data Management function facilitated OMWI’s reporting requirements in the following ways:

- Creating and maintaining new data tools to support the D&I ROE inclusive of the D&I Performance Reporting;
- Releasing system updates to enhance data collection and reporting from the regulated entities;
- Providing support in managing OMWI’s interactions with the regulated entities, including leading regulatory reporting calls, presenting examination protocols, and developing an updated data reporting manual for the regulated entities’ use; and
- Performing quarterly QC reviews of regulated entities’ data, including designing and deploying a data QC tracker to capture and manage the results of the reviews.

OMWI continues to create, update, and expand its business intelligence tools to measure and increase the effectiveness of the Agency’s diversity and inclusion initiatives, including the following tools:

- Workforce Diversity Dashboard: This dashboard depicts the Agency workforce data that allows for the breakout and presentation of various demographics details;
- Supplier Diversity Dashboard: Fully automated and also used by other Agency stakeholders, the dashboard captures related data across the Agency, minimizing manual calculation needed for quarterly and annual Agency reporting; and
- D&I ROE Dashboards: A series of dashboards to support the implementation of the D&I ROE Performance Reporting.



G. Conclusion

As OMWI has matured over the 12 years since its establishment, so has the presence of underrepresented groups within FHFA and the regulated entities. Minority representation in FHFA's workforce grew with 323 minority employees in 2021, up from 248 minority employees in 2017. Representation of minorities and women across our top six MCOs rose to 43.7 percent and 37.5 percent, respectively. FHFA remains committed to ensuring diverse representation at all levels of the Agency, including the executive level.

FHFA's commitment to DEI at all levels of the Agency extends to its procurement efforts. In 2021, 39.9 percent of FHFA's contracting actions and 18.9 percent of the Agency's obligated spend were with MWOBs, both categories increasing from 2020.

OMWI's expanded DEI programming and communication efforts build on the DEI foundation upon which FHFA values of fairness, accountability, integrity, and respect, rest. It is this foundation and the dedication of FHFA staff that have fueled the Agency's focus on the mission ahead, even while enduring pandemic-related hardships and other associated challenges. OMWI has forged ahead and met each of our Strategic Goals in the OMWI FY 2019 – FY 2020 Strategic Plan.



Appendix A

OMWI 2021 Special Emphasis Programs

January – Martin Luther King, Jr. Day – OMWI and the Division of Banking Regulations (DBR) co-hosted this event featuring Dr. Evelyn Brooks Higginbotham, Victor S. Thomas Professor of History and of African and African American Studies at Harvard University. Ms. Higginbotham is the National President of the Association for the Study of African American Life and History. She spoke on “The Service-Oriented Life: Remembering Martin Luther King, Jr.”

February – African American History Month – The event presented by OMWI and co-sponsored by DHMG featured Associate Professor Benjamin J. Hollars presentation on “Boarding the Bus to the Beloved Community: What the 1961 Freedom Riders Can Teach Us About Today.”

March 11 – Women’s History Month – This event was co-sponsored by OMWI and OCAC. The presentation by Jennifer Herrera was entitled: The Urgency of Representation: A Conversation with the National Women’s History Museum.

March 30 – Women’s History Month – FHFA held a second women’s history program moderated by Sharron Levine, FHFA’s OMWI Director, with panelists Elaine Ho (The National Aeronautics and Space Administration); Kate Fulton (FHFA); Migdalia Gonzalez (United States Department of Housing and Urban Development) and Howard Ross (Udarta Consulting) on “Challenges Women Leaders Face and How to Overcome Them” covering the themes: Confidence and Resilience, Self-Advocacy, Navigating the Power Structure and Building Alliances.

April 8 – Holocaust Remembrance Day – Holocaust Remembrance Day was co-sponsored by OMWI and the Division of Research and Statistics. The year’s theme was “A Chance to Survive” and featured a presentation from France Pruitt on Resilience and Compassion. Ms. Pruitt, who was born in Belgium, became a refugee at the beginning of World War II.

May 4 – Asian Americans Pacific Islanders Month – FHFA’s Asian American Pacific Islander (AAPI) Heritage Month event was co-sponsored by OMWI and the Division of Accounting and Financial Statistics (DAFS). The year’s theme was “Advancing Leaders Through Purpose-Driven Service.” Following the Director’s remarks, there was a presentation from Dottie Li on celebrating AAPI Heritage in the federal workplace. Ms. Li, Founder and CEO of TransPacific Communications, has extensive global expertise in cross-cultural communication and DEI.

May 25 – Asian Americans Pacific Islanders Month - FHFA’s second AAPI heritage program was co-sponsored by DAFS who, through our electronic newsletter, solicited volunteers within the Agency to share their experiences. Employees from the Division of Enterprise Regulation, DBR, DAFS, and DHMG presented and discussed AAPI History Month, current events impacting the AAPI community, and allyship.



Appendix A Continued

OMWI 2021 Special Emphasis Programs

June 22 – Lesbian, Gay, Bisexual, and Transgender Month – OMWI and OGC co-hosted a virtual program in recognition of LGBTQ+ Pride Month. The year’s theme was “#StillWeAreColorful.” Following remarks by the Director, there was a presentation from Layne Ingram on “Being Black, Trans, and Proud.”

August 26 – Women’s Equality Day – OMWI and the Division of Conservatorship Oversight and Readiness hosted a virtual program with a presentation by Soraida Martinez on “Verdadism” and her self-empowerment 29 years ago through art and commentaries. The word “Verdadism” was coined by combining the Spanish word for truth (Verdad) and the English suffix for theory (ism). Martinez explained the meaning of Verdadism as “empowering oneself with your own truth and going for it.”

October 6 – National Hispanic Heritage Month – The year’s theme was “Esperanza: A Celebration of Hispanic Heritage and Hope.” OMWI and the Office of Facilities Operations Management hosted and featured one of its employees, Estrella Martinez, Facilities Operations Specialist, to share her story of American-grown and Mexican Roots. Ms. Martinez, while on active duty with the U.S. Army, was an 88H Cargo Specialist, stationed in Ft. Campbell, KY, and served in Operation Enduring Freedom in 2002 in Kandahar Afghanistan.

October 13 – National Disability Awareness Month – OMWI and OHRM annually co-host this program. This year’s discussion concentrated on “Invisible Disabilities and the Dynamics between Physical and Mental Disabilities.” The presenters were Beth Butler, Executive Director, Disability: IN North Carolina and Nadia Khansa, Counselor, Over the Rainbow, LLC.

November 4 – Veterans Day – FHFA honored its veteran workforce with an announcement from the Acting Director who hosted a virtual event for veteran staff.

November 16– Native American Heritage Month – OMWI and DER co-hosted a virtual presentation by Fredericka Joseph, on “Pride and Resilience in being Indigenous.” Mrs. Joseph is an enrolled member of the Kaw Nation of Oklahoma and has Cherokee lineage. Ms. Joseph is a Lifetime and Founding Board Member of the Society of American Indian Government Employees (SAIGE). She has served as the Chair of the SAIGE Board of Directors since January of 2014.



Appendix B

ACRONYM	DEFINITION
AB	Advisory Bulletin
ADR	Alternative Dispute Resolution
CFPB	Consumer Financial Protection Bureau
CLF	Civilian Labor Force
CSS	Common Securitization Solutions
D&I	Diversity and Inclusion
D&I ROE	Diversity & Inclusion Report of Examination
DBR	FHFA's Division of Bank Regulation
DEI	Diversity, Equity, and Inclusion
DER	FHFA's Division of Enterprise Regulation
DHMG	FHFA's Division of Housing Mission and Goals
Dodd-Frank Act	Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010
DRM	Data Reporting Manual
EEO	Equal Employment Opportunity
EEOC	Equal Employment Opportunity Commission
Enterprises	Fannie Mae, Freddie Mac, and OF
EO	Executive Order
ERG	Employee Resource Group
FAIR	FHFA's core values: Fairness, Accountability, Integrity, and Respect
Fannie Mae	Federal National Mortgage Association
FDIC	Federal Deposit Insurance Corporation
FEVS	Federal Employee Viewpoint Survey
FHFA	Federal Housing Finance Agency
FHLBanks	Federal Home Loan Banks
FIRREA	Financial Institutions Reform, Recovery, and Enforcement Act
Freddie Mac	Federal Home Loan Mortgage Corporation
GAO	Government Accountability Office
HERA	Housing and Economic Recovery Act of 2008
ICT	Information Communications Technology
MCO	Mission-critical occupations
MOSB	Minority-owned small business
MWOB	Minority- and Women-owned businesses
NAICS	North American Industry Classification System
NCUA	National Credit Union Administration



Appendix B Continued

ACRONYM	DEFINITION
OBFM	FHFA’s Office of Budget and Financial Management
OCAC	FHFA’s Office of Congressional Affairs and Communications
OCC	Office of the Comptroller of the Currency
OEOF	FHFA’s Office of Equal Opportunity and Fairness
OF	Office of Finance
OGC	FHFA’s Office of General Counsel
OHCI	FHFA’s Office of Housing and Community Investment
OHRM	FHFA’s Office of Human Resources Management
OMWI	FHFA’s Office of Minority and Women Inclusion
OPM	Office of Personnel Management
PAVE	Interagency Taskforce on Property Appraisal and Valuation Equity
PSIP	Pathways Summer Internship Program
QC	Quality Control
SEC	Securities and Exchange Commission
SEP	Special Emphasis Programs
The Rule	FHFA’s Minority and Women Inclusion Rule
Treasury	Department of the Treasury
WOSB	Women-owned small business

