FHLBANKS
A NATION OF LOCAL LENDERS

Opening Doors *changing lives*

DIVERSITY, EQUITY AND INCLUSION

A Letter from Our Presidents

As presidents/CEOs of the 11 Banks and the Office of Finance of the Federal Home Loan Bank System (FHLBank System), we are unified in our mission to ensure diversity, equity and inclusion (DEI) are at the core of how we support each other and our communities. For regulatory reasons, our DEI efforts are centralized in the areas of capital markets, workforce and supplier diversity. However, as you will see, our commitment to DEI extends beyond those areas to the communities in which we work and live. This report features examples of the people, businesses and communities impacted by our collective efforts, and represents our joint exploration of the human impact of our DEI work.

We do not see ourselves solely as a financial institution, but as a partner, committed to helping our vibrant communities grow. This commitment is lived and demonstrated through our staff's support of our mission. Due to the regional nature of our system, our staff members are neighbors and residents, personally invested in the diversity and vitality of their communities. You'll read examples of banks responding to unique regional needs in ways only members of a community can. We often look to data and metrics to tell the story of our impact with members and our communities. Data is important, but the heartbeat of who we are is our people — those we work with; our partners and members and the residents and small business owners we support.

> ***As a system, our mission is to open doors. Through our DEI efforts, we are opening doors for a stronger, more diverse FHLBank System and more vibrant communities across the nation.***

As a system, our mission is to open doors. Through our DEI efforts, we are opening doors for a stronger, more diverse FHLBank System and more vibrant communities across the nation. We hope the stories shared here demonstrate our mission and commitment to creating equitable opportunities and the value that investing in diversity can bring. Bringing DEI to life is not easy and our work is never done. However, we are inspired by the people we work with and look forward to the future — one that improves quality of life, builds new futures and creates the next generation of game changers, homegrown in the very communities we support.

Kirk R. Malmberg, President & CEO
Federal Home Loan Bank of Atlanta

Tim Barrett, President & CEO
Federal Home Loan Bank of Boston

Michael A. Ericson, President & CEO
Federal Home Loan Bank of Chicago

Andrew S. Howell (Andy), President & CEO
Federal Home Loan Bank of Cincinnati

Sanjay Bhasin, President & CEO
Federal Home Loan Bank of Dallas

Kris Williams, President & CEO
Federal Home Loan Bank of Des Moines

Cindy L. Konich, President & CEO
Federal Home Loan Bank of Indianapolis

José R. González, President & CEO
Federal Home Loan Bank of New York

Winthrop Watson, President & CEO
Federal Home Loan Bank of Pittsburgh

Teresa Bryce Bazemore, President & CEO
Federal Home Loan Bank of San Francisco

Mark Yardley, President & CEO
Federal Home Loan Bank of Topeka

Randy Snook, CEO
Federal Home Loan Banks Office of Finance

Laying the Foundation

When the Federal Home Loan Bank System committed to advancing diversity, equity and inclusion (DEI), it began laying a solid foundation for structural change. Intentionally incorporating DEI into its leadership and human resources practices, the FHLBanks are better positioned to meet the needs of the diverse communities they serve.

READ THE STORIES

Breaking Ceilings

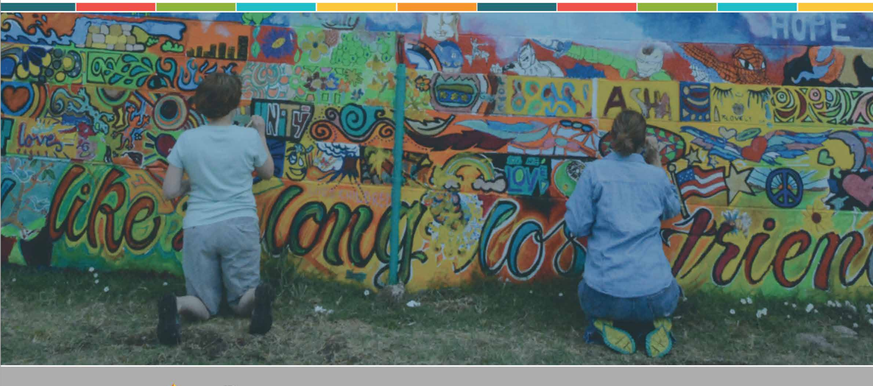
Like any industry, banking has long-established practices and policies that are inadvertent obstacles to progress. The Federal Home Loan Bank System is reviewing its lines of business for rules and processes that negatively impact diverse communities — and using its unique position within the banking ecosystem to tear down those barriers.

READ THE STORIES

Being a Good Neighbor

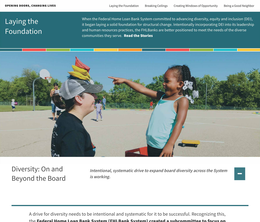
The 11 regional Banks within the Federal Home Loan Bank System are not just connected to the communities they serve — they are part of them. Using firsthand knowledge of their communities' distinct needs, each Bank works with regional partners to build stronger, more vibrant communities that all people are proud to call home.

READ THE STORIES



Laying the Foundation

When the Federal Home Loan Bank System committed to advancing diversity, equity and inclusion (DEI), it began a multiyear journey to build a more equitable and inclusive workplace. From DEI roles to leadership and human resources practices, the FHLBank Series has been positioned to meet the needs of the diverse communities they serve. **Read the Stories**



Diversity: On and Beyond the Board

Intentional, systematic drive to expand board diversity across the System is working.

A drive for diversity needs to be intentional and systematic for it to be successful. Recognizing this, the **Federal Home Loan Bank System (FHLBank System) created a subcommittee to focus on systemwide efforts to increase board diversity**. The Chair/Vice Chair Subcommittee on Board Diversity, established in 2020, created a reference guide with ideas and best practices for increasing board diversity.

Larry Thompson, Vice Chair of the Federal Home Loan Bank of New York's board, was the first chair of the board diversity subcommittee. Under his leadership, the subcommittee created a guide that suggests ways to increase diversity and create a diverse pipeline for future board members. More importantly, the guide sends a clear message that board diversity is a priority for the FHLBank System.

Based on 2021 board numbers, the System's commitment to diversity is driving progress. Between 2020 and 2021, nine out of 12 FHLBank entities increased diversity on their boards, adding women as well as men and women of color. In another emerging trend, the number of diverse candidates for independent board positions increased at several Banks, giving them more diverse candidates to choose from.

The guide has been instrumental in this progress. FHLBank System boards are made up of member directors—officers and directors of member institutions who are nominated for placement on the ballot and elected by the members — and independent directors — who bring experience and expertise from areas outside of banking, and who are identified through an application process, nominated for placement on the ballot by current FHLBank board members and elected by members. While boards have greater influence on the process of independent director nominations, they have less control over the composition of member director boards. The guide recommends that diverse candidate pools for member directors. The guide recommends educating member institutions about the importance of diversity and looking for opportunities to mentor diverse candidates as they are promoted to leadership roles in member institutions. The guide also clarifies that member directors don't have to be CEOs of their institutions; they can serve other leadership roles, which expands the pool of candidates.

"We're proud of the document we came up with, and it's been successful," Thompson said. "Each board that has seen an increase in diversity has been very happy."

WHY DIVERSITY MATTERS

The goal is to have boards that reflect the people they serve. This means different views, attributes and genders but also different experiences and demographics. As Annie Lacasse, a member of the Federal Home Loan Bank of Boston board, said, "A person from Puerto Rico is very different from a person from Lewiston, Maine." Boards want to be sure that we recognize diversity in all its forms." The boards also need members with diverse expertise, for example, experts in cybersecurity or human resources.

It can feel like a puzzle, aligning gaps in skillsets with gaps in gender or racial representation with gaps in demographic representation across the board's region. It's not easy, but it's worthwhile. The Federal Home Loan Bank of Boston's board diversity have seen a positive difference.

"Everybody brings different perspectives based on their background, and the more diversity we have — gender, ethnicity, race, life experiences, expertise — the better we are."

— Ellen Lamale, chair of the FHLB Des Moines board

The Federal Home Loan Bank of San Francisco's majority-diverse board has been recognized by the National Association of Corporate Directors (NACD) for leveraging the power of diversity, equity and inclusion to enhance governance and create long-term value for their organizations and stakeholders. The Bank was among three winners of the annual NACD 2020 Awards™ in 2021 and among 20 finalists for the award in 2020.

BEYOND THE BOARD

Louise Herrle, vice chair of the Federal Home Loan Bank of Pittsburgh board, worked closely with Thompson to produce the first reference guide and is a member of the subcommittee. She is proud of the things they've done and wants to take the next step. She envisions the System producing thought leaders on the issue of meaningful data collection, sharing best practices and being a leader in DEI. Herrle, who has been on the board and the diversity of board chairs and vice chairs and board committee chairs.

Many around the System are leaning forward, including increasing involvement in the independent director selection process. For example, this year every member of the Boston governance committee interviewed all independent director candidates. In Des Moines, a few people screen the first round of interviews. Including its Lazarus, it was easy to minimize unconscious bias.

"This goes way beyond checking the box," Herrle said. "Across the System, the Banks are constantly thinking and brainstorming new strategies. There is true, true desire to make a difference."

Larry Thompson

Ellen Lamale

Inclusive Human Resources

FHLBank Atlanta builds inclusion into hiring and succession planning.

As Federal Home Loan Bank System employees develop and implement initiatives promoting diversity, equity and inclusion in the communities they serve externally, the System's human resources offices are working to ensure the workforce sees that same commitment internally. Since 2020, the Federal Home Loan Bank of Atlanta (FHLBank Atlanta) has been prioritizing its people through inclusive hiring practices and diverse succession planning.

CONSISTENCY OVER CONNECTION

As the Associate Director for Community Investment Services at FHLBank Atlanta, Tomeka Strickland manages a team of 23 associates and has been with the Bank for over 25 years. Even with her years of experience interviewing and hiring employees, she has been pleasantly surprised by the inclusive interview training that the Bank released in fall 2021.

"It is important to approach every interview with an unbiased perspective," Strickland said. Yet the training offered by the Bank helped her recognize some subtle examples of bias that she hadn't taken into consideration. Shared experiences like graduating from the same college, belonging to the same sorority or even wearing a similar hairstyle all make people feel connected to one candidate — which may be unfair to the other. "People may not realize it, but on paper, that's bias," said Strickland.

After completing the half-day virtual online learning module, Strickland approaches all interviews with a focus on consistency to ensure candidate connection does not creep into the process. The training and accompanying hiring guide helped her develop consistent questions with a simple rating scale and structure a diverse interview panel. The result was the selection of a candidate that she believed to be the most qualified but who was noticeably different from her.

Strickland said she encourages the employees she manages to take the training as well. "This is the Bank speaking with one voice. If all hiring managers have a consistent way of interviewing, that makes the candidates feel they have an equal opportunity to get a job here."

Since taking online inclusive interview training, Tomeka Strickland (left) has approached all interviews at FHLBank Atlanta with a focus on consistency to ensure candidate connection does not creep into the process. Training, introduced in fall 2021, has increased the percentage of women and minorities hired.

FROM JOB POSTING TO OFFER

Dawn Gehring, Senior Vice President and Chief Human Resources Officer, said the interview training "is just one of a number of steps the Bank has taken in recent years to create a more inclusive and equitable hiring process."

To start, for a wider, more diverse applicant pool, the Bank took a closer look at its job postings. It scrutinized the minimum qualifications and narrowed them down to those most essential to the job.

The Bank also reviewed the information it collected from applicants. "We stopped asking for previous salary," said Gehring. "Historically, women and minorities have earned less, so if you ask for previous salary and have a job offer off of that, you are perpetuating the gap." Instead, the Bank asks candidates their salary expectations before extending job offers based on the role, market analysis, years of experience and skill sets.

Atlanta's Comprehensive Approach to Inclusion Hiring

- Revise job postings
- Eliminate salary history from applicant data
- Train hiring managers
- Aim for a minimum of 1 diverse candidate in final interview stage

FHLBank Atlanta's final hiring change was to track the diversity of candidates in the final interview stage, with the goal of having at least one diverse candidate. At the end of the second quarter of 2022, the Bank had a 97 percent success rate.

DIVERSITY IN SUCCESSION PLANNING

Like most organizations, FHLBank Atlanta has a long history of succession planning for its executive roles. However, in more recent years it has expanded succession planning to factor in diversity and drill down to the management level.

For its management succession plan, the Bank has identified 50 to 55 roles as critical to its operations or as unique to the Bank that such experience is not easily found on the job market. Gehring said the Bank is focused on diversity at this level, recognizing it as a pipeline of succession talent for the Bank's executive roles.

"We closely watch and monitor our diverse talent to ensure we are successfully pipelining capturing these statistics in the plan itself," Gehring said. Of the positions in the Bank's succession plan, 75 percent have female and minority employees identified as potential successors. "We're identifying them by individual on the plan. It's visible, it's monitored. It's discussed."

Such transparency and intentionality, along with FHLBank Atlanta's comprehensive plan to build DEI into every aspect of its human resources process, are fostering an internal culture that reflects the diversity of the communities that employees serve.

Successors Identified for Critical Roles

Distributed Leadership Builds Diverse Pipeline

FHLBank New York systematically offers leadership opportunities to non-managerial employees to build skill sets, confidence and a diverse pipeline to the C suite.

There's a lack of diversity at the highest levels of most financial institutions, according to a recent McKinsey study. **The number of women and men of racial minorities hired in the financial sector has increased, but their representation decreases the more management and C-suite positions.** Federal Home Loan Bank of New York (FHLBank New York) is testing new distributed leadership strategies to combat this fall off, hoping to develop a pipeline of strong, diverse leaders for the future.

The concept of distributed leadership is to involve as many direct reports as possible in committees, cross-functional teams and other projects. The goal is to give non-managerial employees opportunities to demonstrate and practice problem-solving, decision-making and presenting, allowing them to build the skill sets and confidence needed to become effective leaders. In this way, growth and inclusion are built into the company culture.

FHLBank New York developed a leadership framework, a list of attributes and aptitudes its leaders should possess, and asked its leaders to identify non-managerial employees who demonstrated some of those attributes and had the experience in these areas. According to Jorge Novoa, Senior Vice President, Senior IT Audit Manager at FHLBank New York and a member of the Culture Management Office, they asked managers to think about a decision they could delegate to someone else, or an important presentation a staff member could make in their place. "We asked them to give the baton to someone else," she said.

This wasn't a magnetic identifying distributed leadership opportunities became part of managers' incentive compensation plans. This keeps the Bank accountable for developing leaders strategically and consistently across the Bank and culture, according to Novoa.

> *"I realized that I have the ability to sit in front of an audience and make a presentation. Especially for somebody like me whose English is a second language, it's a little bit more challenging for that person. But you know, just be confident of what you know, and go for it."*
>
> — Jorge Novoa, Data Architect at FHLBank New York

During the pilot in 2022, FHLBank New York managers proposed close to 140 distributed leadership opportunities. Each opportunity was entered into the Bank's SuccessMAP system. Once centralized and approved by members of the Culture Management Office, managers will schedule the opportunities.

Data architect Jorge Novoa asked to be a pilot participant. He saw the opportunities as a way to gain exposure to different skill sets and gain visibility to senior leaders. Members were able to ask questions of subject matter experts, rather than managers, and the internal audit department allowed them to view internal audits and the Bank's investments in technologies and employees. Novoa gave leadership clear, thorough answers about his day-to-day work.

"It reaffirmed that I have the ability to sit in front of an audience and make a presentation," said Novoa, who is in his second year at the Bank. "Especially for somebody like me whose English is a second language, it's a little bit more challenging than the average person. But you know, just be confident of what you know, and go for it."

Once the pilot program is fully established, the goal is for employees to identify areas for distributed leadership opportunities. The end goal is to get everyone to rethink who is given the opportunity to make decisions and influence outcomes. With distributed leadership strategies in place, the process is simple everyone.

2021 Executive Team Diversity
(Federal Home Loan Bank System)

System-wide information like the Distributed Leadership program in New York are helping to increase the number of minorities and women that are part of the System's executive teams. The program gives employees like Jorge Novoa (left) opportunities to demonstrate skill and confidence needed to become effective leaders.

FHLBanks Promote Diversity in Legal Field

Through mentoring, lawyers at the FHLBank New York and other Federal Home Loan Bank entities give students confidence and encouragement.

The Federal Home Loan Bank System (FHLBank System) joined the Leadership Council on Legal Diversity (LCLD) in 2017 to help increase diversity in the legal profession. **All 11 Federal Home Loan Banks and the FHLBanks Office of Finance currently participate in the LCLD membership and have been consistently recognized as LCLD Sponsors** (most recently in 2022), meaning they are in the top 20 percent of members based on participation in LCLD programs and activities.

The LCLD membership is just one example of the System's commitment to diversity, equity and inclusion. According to the LCLD website, diversity in the legal field is at 22 percent compared to 37 percent in architecture and engineering, 39 percent in accounting and 51 percent for surgeons and physicians. LCLD's four programs are designed to "accelerate the career development of diverse lawyers, ensure they are prepared to advance their career at which they might need help, Pathfinders (for early career attorneys), Fellows (for mid-career attorneys), 21 Scholars (which involves recruiting law students for summer long internships at partnering institutions) and Mentoring Latina Leaders (LCLD member organization attorneys with first-year associates for a yearlong partnership). By participating, the FHLBank System is helping to build a more diverse pipeline of candidates for legal positions in the System.

Over the course of its membership, the System has nominated employees to participate in all four LCLD programs. Paul Friend, who serves as General Counsel for the Federal Home Loan Bank of New York, has mentored four first-year law students and is now mentoring his 19th. He initially considered not volunteering, because he feared he wouldn't have much to offer. But he found it rewarding to share his experiences and provide students whose generations and across cultural experiences. These are people who I would not have met otherwise. I think it was great for them and, perhaps, it may have been even better for me.

> *"When you come from a minority background and you don't have someone in your family who has gone to law school, you have these feelings of self-doubt."*
>
> — Alisha Ramos, Brooklyn Law School student

The mentorships are intended to last one year, but Friend maintains contact with his former mentees. One of them is Alisha Ramos, a Brooklyn Law School student who was starting law school in 2021 when he was partnered with Friend. Ramos is a first-generation high school and college graduate and, at age 23, emigrated from Ecuador. Queens. Law school is difficult for everyone, but Ramos anticipated extra challenges. "When you come from a minority background and you don't have someone in your family who has gone to law school, you have these feelings of self-doubt," Ramos explained. "Like, 'Will I be able to do this? Is this for me? How am I going to finish this?'"

Friend's support proved a crucial motivator for Ramos. "Paul's constant reassurance that you're here for a reason, that you've made it this far and you've been accepted based on merit, being that said to you over and over again helps you believe it," he said.

Friend stayed in contact with Ramos after the formal mentorship was over, helping guide him in his career path. Ramos was interested in immigration law, and Friend encouraged him to intern with a firm that specialized in that area. Ramos interned in immigration law, and the legal field became his passion. He was emotionally taxing, considering his own immigrant background and experience. Now, he is planning to work in mergers and acquisitions.

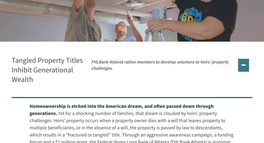
Friend said sharing and supporting diverse student mentees is being going to be most rewarding aspect. He found that his own experiences in law school were not that different from students' experiences today. He tells his mentees, "You wouldn't have gotten into law school unless you were smart and talented. And people usually don't fail overnight. So yeah, you can worry about grades and teachers and stuff. But you're going to succeed."

In turn, Ramos extends that support to his mentees. "I try to reassure people that you belong. Everything that you've been doing has led you to this point, so just keep on doing what you're doing and you're going to be fine."

Alisha Ramos, Brooklyn Law School student, and Paul Friend, General Counsel at FHLBank New York

Breaking Ceilings

Like any industry, banking has long established practices and policies that are inadvertently obstacles to progress. Fortunately, the Federal Home Loan Bank System is working to remove those barriers for rules and processes that negatively impact diverse communities — and pivoting to unique problem within the banking ecosystem to tear down these barriers. **Read the Stories**



Tangled Property Titles Inhibit Generational Wealth

FHLBank Atlanta calls members to develop solutions to heirs' property challenges.

Homeownership is etched into the American dream, and often passed down through generations. Yet for a shocking number of families, that dream is clouded by heirs' property challenges. Heirs' property occurs when a property owner dies with a will that leaves property to multiple beneficiaries, or in the absence of a will, the property is passed by law to descendants, which results in a "fractured or tangled" title. Through an aggressive awareness campaign, a funding forum and a $2 million grant, the Federal Home Loan Bank of Atlanta (FHLBank Atlanta) is ongoing solutions nationwide, especially in the Southern Black Belt region, where an estimated 41 percent of Black-owned land is heirs' property.[1]

"These properties are entangled through the lack of a clear title, which impacts everything," explained Arthur Fleming, Senior Vice President and Director of Community Investment Services for FHLBank Atlanta. "Without a clear title, the property is considered an asset, but it can't be used as collateral for loans, or it can't be sold for its property value. It generally becomes blighted property. Generational wealth challenges, the minority homeownership gap and poor housing conditions in underserved communities impacted by redlining are attributed to some of the heirs' property issues."[2]

Since 2019, FHLBank Atlanta has been raising awareness of the issue and its disproportionate effect on low-wealth families and rural and ethnic minority communities in our six-state market. Beginning in 2021, the Bank reached out and joined with three other Federal Home Loan Banks (Boston, Dallas and Pittsburgh), the Federal Reserve Bank of Atlanta, the Federal Reserve Bank of Richmond and the Asset Funders Network to host the Heirs' Property Prevention and Resolution Funders' Forum. During the event, 40 potential funders consisting of banks and philanthropic organizations heard from partners for 84 pilot initiatives from 22 states, all designed to deliver scalable solutions to heirs' property challenges.

FHLBank Atlanta's efforts have produced a ripple effect of increased awareness and additional funding.

> *"Generational wealth challenges, the minority homeownership gap and poor and blighted neighborhoods can all be positively impacted if we continue to solve the heirs' property issue"*
>
> — Arthur Fleming, Senior Vice President and Director of Community Investment Services, FLHBank Atlanta

THE TRUST FRAMEWORK

"FLHBank Atlanta really heightened awareness of the challenge and how many billions of dollars are just sitting there that people don't have access to," said Kimberly Woody, Executive Vice President and Chief Community Reinvestment Act (CRA) and Community Development Officer at Truist Bank. In Georgia alone, $3 trillion worth of tax-appraised property is likely tied to heirs' property challenges, estimates the Property Law Center.

Truist became a partner of the Center in January 2021. It has since developed a web-based application to identify heirs' properties, build relationships for heirs' issues, created tools to assess processes for Center clients and provided the pro-bono services of Truist Legal Department members.

Truist's next step is to build funding for heirs' property initiatives into its CRA program for the upcoming 2023-2025 exam schedule. It also plans to host an Estate Planning "Signing Day" event in Atlanta during the first quarter of 2023.

BANKUNITED'S COMMUNITY APPROACH

FHLBank Atlanta also rallied BankUnited of Miami Lakes, Florida, to address the pervasive problem. Eric Hilbert and Angelica Coronel, who manage BankUnited's CRA diversity, equity and inclusion program, developed a multi-faceted plan for heirs' property challenges in their area.

BankUnited identified Liberty City, a low-income African-American neighborhood near Miami, as a target area. Recently slated for revitalization, Liberty City is full of new construction projects. "The population is being targeted by developers," Coronel said. "We want to provide residents with the knowledge and support to make informed decisions."

To do so, BankUnited has created a consortium of local organizations to work collaboratively in solving heirs' properties, including Legal Services of Greater Miami, Community Law Firm and Community Law Firm to provide free legal services and Greater Miami Jewish Federation's Law Firm to provide families with pro bono legal services in the form of mediation and help obtaining clear property titles. Legal interns from Florida International University and Florida A&M University will serve as paralegals and map potential heirs' properties.

> *"FHLBank Atlanta really heightened awareness of the challenge and how many billions of dollars are just sitting there that people don't have access to."*
>
> — Anthony Woody, Executive Vice President and Chief Community Reinvestment Act and Community Development Officer, Truist Bank

As families decide the future of their properties, Neighborhood Housing Services of South Florida will provide homeownership counseling and help with home repairs, as well as educational workshops for those who simply want to sell. To spread the word about the services, interns from Florida International University will handle outreach to local churches.

BankUnited invested $90,000 to launch the program and started seeing community clients in January 2023. Yet this is just the tip of the iceberg. The consortium's project team is poised and a wide-range of support for Liberty City under the umbrella of a new program, Project Restoration.

A second target area is Eatonville, one of the first self-governing all-Black municipalities in the United States. BankUnited's CARE program made a financial contribution to Legal Services of Mid-Florida to support efforts to resolve heirs' property challenges in Eatonville.

FHLBANK ATLANTA'S CONTINUED LEADERSHIP

Back at FHLBank Atlanta, the team continues to increase awareness of heirs' property issues among members and partners, while also investing in practical solutions. In August 2021, the Bank announced a $1 million Heirs' Property Prevention and Resolution Grant. Each organization that submitted a proposal at the 2021 forum may apply for up to $100,000. The Bank began evaluating applications in October 2022. FHLBank Atlanta has also encouraged developers to toward projects for Affordable Housing Program competitive application projects that include heirs' property solutions.

[1] The Congress's Land Fund, Inc. (2002). The Impact of Heirs Property on Black Rural Land Tenure in the Southeastern Region of the United States.

BankUnited plans from community event in Liberty City

Abandoned Home

The Southern Black Belt region, where an estimated 41 percent of Black-owned land is heirs' property

Banking on Diverse Business Owners

FHLBank Pittsburgh is providing minority- and women-owned small businesses access to capital through a new special purpose credit program.

Sometimes traditional lending standards are all that stand between a promising small business and the funding it needs for long-term growth. That gap can be even wider for minority- and women-owned small businesses, with research documenting persistent barriers in their access to capital compared to their white- and male-owned counterparts. **To meet the needs of these underserved small businesses, the Federal Home Loan Bank of Pittsburgh (FHLBank Pittsburgh) established the Business Opportunity Bridge Business Inclusion and Equity fund (BOBBI) in 2022** – and awarded $2.4 million in funding during its inaugural year.

BOBBI is a set-aside that builds on the success of Banking On Business (BOB), FHLBank Pittsburgh's small business loan product. In its 22-year history, BOB has provided $80 million in funding to 852 qualified small businesses that otherwise would not meet members' traditional underwriting requirements. BOB's unsecured secondary loans of up to $100,000 per small business are more competitive with a member's first loan. BOBBI, as a special purpose credit program, offers minority- and women-owned small business owners the same benefits as BOB, with enhanced eligibility criteria to remove owners' access to capital barriers.

For its June 2022 launch, BOBBI was offered as a $2 million set-aside under the Bank's $6 million BOB allocation. Once the application period opened, the set-aside funds were exhausted in only eight weeks. In fact, in 12 months, BOBBI loans were approved for 23 minority- and women-owned small businesses. The average award was $82,000.

"The funding will allow business owners to grow," said John Bendel, Senior Director of Community Investment, FHLBank Pittsburgh. "The six minority-owned, 20 women-owned and three minority- and women-owned businesses can put their BOBBI loan funds toward payroll, inventory, maintenance or expansion costs.

The growth that BOBBI enables looks different for everyone. For a minority- and women-owned freight company in Pennsylvania, it meant the ability to purchase a trucks-track and hand-washing capital. For a start-up women-owned coffee shop in West Virginia, it meant the ability to purchase inventory and needed equipment. For the BOBBI recipients collectively, as well as the communities that they call home, BOBBI is expected to help create or retain 156 jobs and leverage $8.4 million in total financing.

> *"The funding will allow these businesses to flourish."*
>
> — John Bendel, Senior Director of Community Investment, FHLBank Pittsburgh

The high demand and clear economic impact of BOBBI's debut have underscored the need for the set-aside. FHLBank Pittsburgh has taken steps to continue BOBBI, while also exploring the possibility of increasing funding for both it and BOB in future years. As the Bank strategically closes funding gaps for minority- and women-owned businesses, it's not only providing capital for small business but also investing in equity and inclusion.

BOBBI Supported 25 Small Businesses in 2022

BOBBI's Inaugural Year

12
Unique members receiving an award

$2.4M
BOBBI loans approved

$82,000
Average award size

$8.4M
Total financing

156
Jobs created/retained

Suppliers Get Certified for Better Business Opportunities

FHLBank San Francisco invests in diverse suppliers' growth by sponsoring certification of their business status.

Joy Bereze, who founded E3 Consulting Corporation in 2000, has seen a shift in the last several years of business: increasingly more customers request third-party certification that E3 is a woman-owned business. When a client first hired Bereze in 2015 that she should get her ergonomics and wellness company certified, she lacked the time and resources to tackle the arduous process. She received the same advice from her three prior clients. Just this time – **the Federal Home Loan Bank of San Francisco (FHLBank San Francisco) — offered to sponsor her.**

In 2015, FHLBank San Francisco began providing Bereze and other diverse suppliers with the expert certification assistance they need to grow their business. The Bank's Supplier Diversity program partnership with Supplier Connexions with 12 years of experience helping others obtain diversity certification, fit the typically shaky two-months' time off the normal 90- to 120-day certification process. It fits guides businesses through completing forms, digging up financial information, navigating strict rules and practicing for interviews.

"We couldn't have done it without her," E3's Bereze said of FH Senior Manager Ranjani Mahana, who is known by many as "The Certification Lady." Mahana has a team of 20 employees worldwide, helping over 300 companies a year with local, state, federal or international diversity certifications. It has also met companies' own certification as minority-, woman-, veteran-, disability- or LGBTQ-owned.

It May also provides pre-certification support for up to a year, offering individual and group sessions on marketing and business development to help companies leverage their certification for increased business.

> *"We want to help them expand their business and better compete in this highly competitive and ever-evolving marketplace."*
>
> — Sashala Lomand, Managing Director of FHLBank San Francisco's Diversity, Equity and Inclusion Office

Sashala Lomand, Managing Director of the Bank's Diversity, Equity and Inclusion Office, said such long-term growth is the Bank's goal for E3 and other diverse suppliers whose certification the Bank has sponsored. "We want to help them expand their businesses and better compete in this highly competitive and ever-evolving marketplace. Diverse certification allows them to be more visible and discoverable to the many private, public and non-profit organizations seeking to expand their supplier diversity efforts."

For E3, preparation met opportunity and pushed them into new markets during the COVID-19 pandemic. With clients shifting to remote work, E3 pivoted from facilitating outside client support to "virtual consultations anywhere, in any time zone," said Bereze. Additionally, E3's certification was completed a few short weeks before a contract opportunity with a major tech company. Bereze's company successfully bid and landed back in E3, and put in time for requests from other clients, who were developing supplier diversity initiatives.

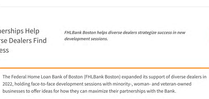
"Our client base went up almost 40 percent," Bereze said of the period. In addition to its offices in Southern California and Texas, E3 now has staff in nearly every major city. Also, California clients are bringing E3 into international markets by bring E3 for transpacific return-to-work training. The firm has a global staff of 30 and is still hiring in other countries to support its growth.

> *"Our client base went up almost 40 percent."*
>
> — Joy Bereze, President of E3 Consulting Corporation

It We continues to experience growth of its own. FHLBank San Francisco is one of 10 corporations that has contributed $1 million to guide their suppliers through certification. In the past year, it We has helped clients Meta and Google make into the prestigious Billion Dollar Roundtable, which recognizes and celebrates corporations that have spent at least $1 billion a year with diversified suppliers.

It We services typically range from $1,500 to $2,000 per local, state and national certifications. The separate application fee adds another $50-$1,200, depending on the client's size and revenue. FHLBank San Francisco has footed the bill for about 35 suppliers to use It We to determine if they qualify for certification and then walk them through the process.

Bonie is grateful to FHLBank San Francisco for making such an investment in E3. "It has paid for itself 10 times over," she said.



Ranjani Mahana of The Diversity Solutions

E3 Consulting Corporation staff with FHLBank San Francisco staff

Partnerships Help Diverse Dealers Find Success

FHLBank Boston helps diverse dealers strategize success in new development sessions.

The Federal Home Loan Bank of Boston (FHLBank Boston) expanded its support of diverse dealers in 2022, holding face-to-face development sessions with minority-, woman- and veteran-owned businesses to offer ideas for how they can maximize their partnerships with the Bank.

The Bank has been conducting diverse dealer outreach and support for nearly a decade. According to George Marson, Treasurer of FHLBank Boston, the pre-pandemic development sessions were added to give more personal than past touchpoints. The Bank meets beforehand and analyzes the dealer's past activities and their longer-term development goals. The Bank then offers a tailored session to the dealer, which "gives them a complete the areas of the business and the markets where we need them to be focused in order to find and sustain success in a competitive field," Marson said. The meetings also offer dealers the opportunity to ask questions or describe their business priorities and plans.

> Capital Markets is a complicated business for the Federal Home Loan Banks. Some people think that she contains a substantial amount of risk. To help manage the Capital Markets business as well as possible, we need to have a diverse dealer community. Diversity of thought, diversity of ideas, diversity of finance firms. Known as dealers that facilitate these financial transactions for the System. Given that transactions regularly involve millions and, at times, billions of dollars, the dealers must be well capitalized to support the transaction sizes and volumes. This can create a challenge for smaller, diverse-owned firms, which typically are not as well capitalized and/or specialize in certain types of transactions, limiting their ability to regularly be used by the System. Part of the FHLBank Boston's mission is to support these diverse dealers by giving them opportunities to expand their work with the Banks.
>
> The Bank seek dealers in search of its diverse dealers in 2022. One of them was Bancroft Capital, the only service-disabled veteran-owned broker-dealer in Philadelphia. Bancroft works with other banks in the Federal Home Loan Bank System and was pleased when FHLBank Boston called the Bank to schedule a development session. According to Ray Hally, Bancroft's President and Chief Operating Officer, FHLBank Boston "laid out a plan. We certainly did, in a very short time-way, where we can try to find ways to work together."
>
> Founded in 2017, Bancroft is based in Conshohocken, north of Philadelphia. They have 29 employees, 12 of whom are veterans. In 2019, Bancroft launched a Veteran Training Program to help disabled veterans, first responders and their spouses launch careers in financial services. According to Hally, the veteran program sets Bancroft apart from other diverse dealers. He said FHLBank Boston's proactive approach with Bancroft shows the Bank's support of diverse dealers and dealers that have a stake in a family-oriented mission that uplifts an underrepresented sector of the community.
>
> *"We emphasize the areas of the business and the markets where we need them to be focused in order to find and sustain success in a competitive field."*
>
> — George Marson, Treasurer at FHLBank Boston

At the end of their conversation, Marson encouraged Bancroft to continue the dialogue and partnership for the long haul. "And that's what's noble about that process," Hally reflected. "It's people looking to work with people, it's people business. That conversation gave us what we should be looking to do to help them and what they can do to help us. That's what a true partnership looks like."

Harry Smith from Bancroft Capital shares the Diverse Dealer Session Meeting in New York.

Ronny Sullivan from Dolan/Sullivan Williams Shark, Kelly Holloway from Dolan/Williams Shark and Sadaiscia Lomand from FHLBank San Francisco at the FHLBank Diverse Dealer Meeting in New York

HIBBARD'S
Opening Doors
Changing Lives
Atlanta
Boston
Chicago
Cincinnati
Dallas
Des Moines
Indianapolis
New York
Office of Finance
Pittsburgh
San Francisco
Topeka

> *"Typically, at projects with large recruitment requirements, you can get there with one tender and call it a day. Federal Home Loan Bank of Chicago was really into the diversity within the diversity."*
>
> — Laura Mathews, Executive Consultant, Incorporated Vice President

DIVERSITY WITHIN THE DIVERSITY

It took a committed team to reach such a significant goal. FHLBank Chicago worked closely with Executive Consultant Incorporated's Tiffany Mathews and Laura Mathews to reach the goal in three weeks. Because ECI managed a large portion of the work, their consulting gear would impact the Board's goals. This project was a perfect fit for ECI because of their ability to work with a large number of vendors. Because FHLBank Chicago wanted a diversity within diversity, ECI was up to the challenge.

"Typically, at projects with large recruitment requirements, you can get there with one tender and call it a day," Federal Home Loan Bank of Chicago was really into the diversity within the diversity," Mathews said.

FHLBank Chicago's goal was to recruit women, veterans, and minorities to represent the diverse image of the businesses that were involved. ECI brought strong relationships with diverse vendors. Even so, the goals were challenging. Mathews said, "We had to be very creative in our approach." Mathews said, "We had to be very creative in our approach." Mathews said, "We had to be very creative in our approach."

"Typically, on projects with large subcontract requirements, you can get there with one tender and call it a day. Federal Home Loan Bank of Chicago was really one the directly within the directly."

— Laura Mallard, Executive Constructive Incorporated Vice President

DIVERSITY IS PUTTING THE DIVERSITY

It took a committed team to reach such a significant goal. FHLBank Chicago worked closely with Executive Constructive Incorporated (ECI), the general contractor for the project, to hitch the special to other vendors. Because ECI managed a large portion of the work, their contracting pros would impact the Bank's goals. This project was a perfect fit for ECI's Vice President of Contracting, Laura Mallard. Executive Constructive Incorporated of Chicago worked extensively with diversity partners and exceeded

"Typically, on projects with large subcontract requirements, you can get there with one tender and call it a day. Federal Home Loan Bank of Chicago was really one the directly within the directly." Mallard said.

Mallard's team participated in higher-tier subcontracts and directly with vendors, and ECI's Vice President of Contracting, Laura Mallard, was the point person for the Bank's goals. Left-handed and ambidextrous, Mallard

Jason Bolanos of ECI and Kathy Dolezalek of Bolanos Mechanical talk about working on the Chicago project.

Kathy Dolezalek of Bolanos Mechanical, Jason Bolanos of ECI, Laura Mallard of Executive Constructive Incorporated, and Ryan Mallard.

Promoting Diversity

ECI's of recent promotions at the FHLBanks Office of Finance went to diverse candidates.

Sandra Tinkle's drive and willingness to learn took her from **an entry-level position at the Federal Home Loan Banks Office of Finance (FHLBanks Office of Finance) to running the entire Chicago office in just over 10 years.** Tinkle is the United States' second longest issuer of debt. During her two and a half decades at the office, Tinkle has earned her bachelor's and master's degrees, had three kids and earned promotions approximately every three years.

Her trajectory is not the norm in the finance industry. Women and especially Black women, like Tinkle, are a minority in senior management positions in the finance industry, according to a **2015 McKinsey study.** The Office of Finance, like the FHLBank system at large, is trying to change that by promoting diversity, equity and inclusion in its workforce. Tinkle, who is now the Office of Finance's Director of Corporate Finance Manager, 12 percent of promotions in the Office of Finance went to diverse candidates.

"We hire and promote the most talented and most qualified people, and we cast a very wide net to ensure our applicant pool is diverse." Tinkle said.

"We hire and promote the most talented and most qualified people, and we cast a very wide net to ensure our applicant pool is diverse." Leigh Ann Pusch, Senior Manager at the FHLBanks Office of Finance, said. Pusch is the United States' second largest issuer of debt. During her two and a half decades at the office, Tinkle has earned her bachelor's and master's degrees, had three kids and earned promotions approximately every three years.

The FHLBanks Office of Finance works with organizations focused on attracting diverse talent, such as the Hispanic Association on Corporate Responsibility and Black MBAs, and partnerships with organizations that matches employees with diverse candidates. Currently, 72 percent of the FHLBanks Office of Finance staff is diverse. The Bank also hosts events for diverse candidates to promote the organization as a diverse place.

"We develop our talent, give them more responsibility and opportunities for promotion when we can," said Pusch. "We have a mentorship program and we have a sponsorship program. We have a lot of diversity initiatives across. "Mentorship is a very important piece to building leadership and a big piece of the puzzle."

"I'm always trying to prepare myself for the next level." Tinkle said. "Taking on more, participating in more meetings, continuing with my education."

Sandra Tinkle, Director of Corporate Finance, and Leigh Ann Pusch, Senior Manager, Office of Finance

"I'm always trying to prepare myself for the next level." Tinkle said. "Taking on more, participating in more meetings, continuing with my education."

"It has been a joy to watch Sandra grow at the FHLBanks Office of Finance. As she progressed through various roles and increasing responsibilities in Capital Markets over the past 26 years, Sandra's 'can do' attitude, knowledge and skills have prepared her to meet, virtually and head on, any challenge that has been thrown her way." Pusch said.

Tinkle's board-based advocacy and passion in the FHLBanks Office of Finance, working with people who would uncover questions and drive the organization forward, She's returning the favor, sharing advice with younger people at the Bank, hoping to pave the way for the next generation.

In 2021, 91 percent of promotions in the FHLBanks Office of Finance went to diverse candidates like Sandra Tinkle. The Office of Finance's mission is to ensure cohesive and efficient operations, along with providing high-quality, which has resulted in a workforce that is 72 percent diverse.

Mentorships Help Employees Visualize Success

FHLBank San Francisco's mentorship and rotation programs are attracting diverse staff, helping to boost the playing field when it comes to leadership.

Demonte Buckner believes **"If you can envision yourself there, you can be there."** The director of operations at the FHLBank San Francisco (Bank San Francisco) and Bay Area Council member's success has paved for countless new places.

After graduating from Howard University with a degree in Business Administration, Buckner, a Missing Bert Cooper, was eager to explore … the country, the Bank San Francisco and the future. He started a short internship for FHLBank San Francisco, and he liked what he saw. The Bank San Francisco's internship program offers students and recent graduates employment in the Bank's jobs rotational program.

The rotational program, which lasts two to three different departments to become acquainted with multiple critical Bank operations, is a great way for employees to discover what they like and what they don't like, according to the Bank's mentorship program director. Rotations have helped professionals at various levels of staff at the Bank, and the mentor were one of all twenty-nineteen years in the 2015-2020 program.

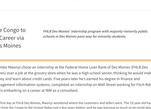
"I'm always eager to learn more, and I have these programs would lead us to be more compassionate day to day and emotionally improve my knowledge of the financial services industry." Demonte Buckner, Regional Program Manager, FHLBank San Francisco

For Buckner, the benefits from the development programs are both personal and professional. He, and his mentor, Diane Jones, a 25-year employee of the Bank, and virtually once a week throughout the program. Now that their program is over, they continue to meet, virtually and in person, on friends and colleagues.

"We have a lot in common," Buckner said. "We're both African American, we're both career-oriented and want to be successful, we're both very family-oriented." Those similarities helped the pair from joining a long, successful career at FHLBank Jones said.

The ways in which they're different might be even more important.

Jones is Managing Director of Credit and Collateral Risk Management. She worked at FDIC before joining FHLBank San Francisco, and she has been instrumental in the development of the Bank's Diversity and Inclusion Council and FHLBank System and Financial Services Institute's diversity and inclusion initiatives. She's also a mentor to various sections, collaborate with people and instill trust in team members. She also helps her think strategically about her and organizations, which Buckner calls a Dan, Calls Mean to give them, but, he will, he will give them feedback.



Gender, Race and Ethnicity Breakdown: 2021 mentorship program participants at FHLBank San Francisco. In 2021, the program attracted a high number of diverse participants, including Black and Latino mentees and leadership mentors.

"I'm always eager to learn more, and I have these programs would lead us to be more compassionate day to day and emotionally improve my knowledge of the financial services industry."

— Demonte Buckner, Regional Program Manager, FHLBank San Francisco

Pairs like Buckner and Jones, which the program calls, are virtually once a week throughout the program. Now that their program is over, they continue to meet, virtually and in person, on friends and colleagues.

"We have a lot in common," Buckner said. "We're both African American, we're both career-oriented and want to be successful, we're both very family-oriented." Those similarities helped the pair from joining a long, successful career at FHLBank Jones said.

The ways in which they're different might be even more important.

Jones is Managing Director of Credit and Collateral Risk Management. She worked at FDIC before joining FHLBank San Francisco, and she has been instrumental in the development of the Bank's Diversity and Inclusion Council and FHLBank System and Financial Services Institute's diversity and inclusion initiatives. She's also a mentor to various sections, collaborate with people and instill trust in team members. She also helps her think strategically about her and organizations, which Buckner calls a Dan, Calls Mean to give them, but, he will, he will give them feedback.

For Buckner, the benefits from the development programs are both personal and professional. He, and his mentor, Diane Jones, a 25-year employee of the Bank, and virtually once a week throughout the program. Now that their program is over, they continue to meet, virtually and in person, on friends and colleagues.

"We have a lot in common," Buckner said. "We're both African American, we're both career-oriented and want to be successful, we're both very family-oriented." Those similarities helped the pair from joining a long, successful career at FHLBank Jones said.

The ways in which they're different might be even more important.

Jones is Managing Director of Credit and Collateral Risk Management. She worked at FDIC before joining FHLBank San Francisco, and she has been instrumental in the development of the Bank's Diversity and Inclusion Council and FHLBank System and Financial Services Institute's diversity and inclusion initiatives. She's also a mentor to various sections, collaborate with people and instill trust in team members. She also helps her think strategically about her and organizations, which Buckner calls a Dan, Calls Mean to give them, but, he will, he will give them feedback.

From The Congo to Finance Career via FHLBi Des Moines

FHLBi Des Moines' internship program will equally minority public schools in Des Moines pave way for minority students.

Lassebio Mwanyi chose an internship at the Federal Home Loan Bank of Des Moines (FHLBi Des Moines) over a job at a bank. He was a senior in high school, and he was looking for a job to earn some money and have some financial stability. Five years later he learned the digital technology and management information systems, completed an internship on Wall Street working for Fitch Ratings and was finishing up a career at IBM as a consultant.

That first day at FHLBi Des Moines, Mwanyi wondered where the customers and tellers were. The 12-year-old San Carlos Park Congo in the United States of America, the Bank's parent company, is the only one with Bank's Congo one country, including the language. His life as an orphan and a refugee hadn't been easy, but he now felt settled with his aunt and her siblings and started to think about financial systems as he could help the people he cared about.

A career in finance was the furthest thing from his mind.

"I just wanted to save a little bit of money and prepare for college. After working in a financial institution, I thought, hey, what, now, I would do that."

— Lassebio Mwanyi, Banker intern at FHLBi Des Moines

Despite recent increases in women and racial minorities in finance, the industry is still predominantly composed of white men. The Federal Home Loan Bank System's Financial Services Institute (FSI) and the Federal Home Loan Banks System's participants focused on increasing its diversity. Programs like the high school internship in Des Moines are part of that effort.

Lassebio Mwanyi, Banker intern at FHLBi Des Moines

After a pause during the pandemic, the program resumed with two students in the 2022 cohort. Mwanyi is the classical example of an high school graduate with a bachelor's degree.

After his first internship, Mwanyi returned to FHLBi Des Moines during summers, holiday breaks and for a six-month co-op, finishing up his degree. Mwanyi is a Business Finance major, in part because he had developed a relationship with the Bank's Director of Human Resources.

WHY MENTORSHIP IS IMPORTANT

Mwanyi developed a close mentor relationship with Ellen COO of the Bank, Mike Wilson. Wilson's approachability and leadership created an environment where employees felt welcome, according to Mwanyi. Having regular conversations with the COO boosted his confidence. For Mwanyi, "Mike Wilson is the definition of leadership. If he wasn't there, I wouldn't be here. He's a very, very, very,

Being a Good Neighbor

The 11 regional Banks within the Federal Home Loan Bank System are not just connected to the communities they serve, they are a part of them. As we strive to be better neighbors to our communities' distinct needs, each Bank works with regional partners to build stronger, more vibrant communities that all people are proud to call home. **Read the Stories**

Finding a Home in Detroit

When utilization of Affordable Housing Program grants dipped in Detroit, FHLBank Indianapolis moved in.

The Federal Home Loan Bank of Indianapolis (FHLBank Indianapolis) saw that affordable housing developers in one of its biggest and most diverse cities weren't utilizing its Affordable Housing Program (AHP) grants of up to $500,000. They quickly made a strategic investment to fix that, establishing a presence in Detroit to become a more active partner in the fabric of the community.

Detroit has one of the highest minority populations in the country and is in the middle of an urban revitalization. Many organizations are passionately committed to revitalizing Detroit neighborhoods and developing affordable housing in the city, he said Kiefer grants were key to projects in Detroit from 2010 to 2015. During that time, few applications came in and those that did were not competitive. FHLBank Indianapolis decided it needed a bigger footprint in the city.

"AHP funds are the last piece of the financing puzzle that can help a project move from being a 'what if' project to a real, tangible development."

— Anna Shires, Detroit Community Investment Outreach Partner, FHLBank Indianapolis

FHLBank Indianapolis opened an office in Detroit and hired Anna Shires to be the Detroit Community Investment Outreach Partner. Shires, a Detroit resident, previously worked in the City of Detroit's Housing and Revitalization Department. She brought extensive relationships with developers, the city and neighborhood groups dedicated to affordable housing, which helped FHLBank Indianapolis quickly become part of affordable housing conversations across the city.

In her role with the Bank, Shires identifies developers with projects in need of subsidies and connects them to member financial institutions that have an interest in a particular project. In many cases, Shires said, AHP funds are the last piece of the financing puzzle that can help a project move from being a 'what if' to a real, tangible development.

Within a year, the number and quality of grant applications from Detroit improved. In 2016, the Bank funded four projects totaling $2.4 million to leverage $20 million and preserve 534 affordable housing units. Applications increased again in 2021, and grants were awarded to Detroit projects, although not at the same level as 2020 because of a smaller pool of money. According to Shires, the Bank's member institutions have increased their partnerships with Detroit developers and have seen more lending opportunities as well.

Another focal point for FHLBank Indianapolis is making sure minority developers, especially small-scale minority developers, are aware of the programs and opportunities. Minority Indianapolis often don't go to traditional financial institutions for lending, Shires said. That means they can miss out on opportunities like the AHP grants and other grants offered through FHLBank Indianapolis.

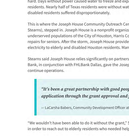
"Development has a lot of negative connotations. We are doing development but also creating beautiful places to live and improving quality of life."

— Monique Becker, Owner, Mona Lisa Living

To address this, FHLBank Indianapolis partnered with Detroit digital news magazine Model D to sponsor a series of stories spotlighting minority-driven developers. The series, called "Model D Ready," is one part education about the Bank's programs and one part celebration of Detroit minority developers.

FHLBank Indianapolis' partnership with Model D has broadened awareness of the Bank's programs for affordable housing in Detroit.

14 Stories Published | **526,434** People Reached (pageviews across reach) | **4,677** Total Engagements



Monique Becker (right) and Elizar Wolf (left). Photo by Nick Hagen.

Detroit property bought by Mona Lisa Living. Photo by Nick Hagen.

Neighbors Helping Neighbors

FHLBank Dallas responds to overwhelming community needs by increasing Partnership Grant Program funds.

Since 1996, the Federal Home Loan Bank of Dallas (FHLBank Dallas) has partnered with member institutions through the Partnership Grant Program (PGP) to provide financial support to community-based organizations involved with affordable housing and economic development throughout its district.

During economic turmoil caused by the COVID-19 pandemic, FHLBank Dallas saw urgent needs rising in the communities it serves and, in response, increased $2.4 million in PGP funds, up from $300,000 in 2019, including an increase to its matching contributions. The Bank also expanded the use of funds to include social services like economic and rental assistance, shelter and housing and job training.

During Valentine's Week in 2021, a winter storm hit Texas. Temperatures plummeted, and some power plants were unable to perform in the freezing cold. Millions experienced and sustained power outages. Houston was hit hard. Days without power caused water to freeze and expand, eventually bursting pipes for some unfortunate residents. Nearly half of Texas residents were without water for two days. Houston's low-income, elderly and disabled residents suffered disproportionately.

This is where the Joseph House Community Outreach Center's program leader, Dr. R.C. Stearns (known as Apostle Stearns), stepped in. Joseph House is a nonprofit organization that provides a variety of services for the poor and underserved populations of the City of Houston, Harris County, and surrounding areas, including minor home repairs for seniors. After the storm, Joseph House provided life saving home repairs to restore running water and electricity to elderly and disabled Houston residents. Many of the residents it helped were in the Lake Ella Ave.

Stearns said Joseph House relies significantly on partnerships and donations. Member institution Hancock Whitney Bank, in conjunction with FHLBank Dallas, gave the Joseph House Community Outreach Center $16,000 to help continue operations.

"It's been a great partnership with good people to work with from the start of the application through the grant approval and funding process."

— LaCeshia Bakers, Community Development Officer at Hancock Whitney Bank

"We wouldn't have been able to do it without the grant," Stearns said. "The grant helped us retain and pay our staff in order to reach out to elderly residents who needed help."

LaCeshia Bakers is the Community Development Officer for Hancock Whitney Bank, which has collaborated with FHLBank Dallas to award PGP grant funding to over 22 nonprofit organizations across Texas and Louisiana since 2015.

"The grant funding has been a tremendous help in so many ways," Bakers said. "It's been a great partnership with good people to work with from the start of the application through the grant approval and funding process."

The February 2021 ice storm resulted in more than 200 fatalities across Texas. The PGP, via the support of FHLBank Dallas and Hancock Whitney Bank, allowed Joseph House to continue funding its operations, ensuring that it would be there to help some of Houston's most vulnerable residents recover.

Apostle Stearns, Program Leader, Joseph House Community Outreach Center

A Lifeline for Those in Need

FHLBank Cincinnati's Housing Fund impacts the most vulnerable throughout the region.

Trudy Ford, 63, lived for nearly a year without a working bathroom in her 100-year-old home in Paducah, Kentucky, **until a grant from the Federal Home Loan Bank of Cincinnati (FHLBank Cincinnati) Carol H. Peterson Housing Fund made it possible for her to get it repaired**. Before that, she walked the half block to her son's house or used a potty chair from her son's camper.

She can laugh about it now that she has working plumbing, a structurally sound floor and a new sewer (in place of the old tub). "As soon as they have my name with the Pentavian, I put that photo out on the porch and called my son. I said, 'Come get your chair and I don't ever want to see it again,'" she said with a laugh.

The Carol H. Peterson Housing Fund, or CHPHF, is a lifeline for people like Ford. The fund offers up to $7,500 per homeowner for repairs that include roofs, electrical systems, plumbing, HVAC units and structural repairs. The program was established in 2011 and has distributed more than $12.6 million for repairs to more than 1,200 homes. It is named after Carol H. Peterson (1938-2010), who led the Bank's Housing and Community Investment Department for more than 20 years.

Nonprofit organizations, like the one Ford worked with, apply through FHLBank member institutions and coordinate repairs. Ford worked with the Paducah Alliance of Neighbors, which has been helping homes in the city and disabled Paducah residents since 2006. Demand is high in the Paducah area. Funds through the program are now committed within minutes of the application process opening, according to the Alliance's Executive Director Sharon Pratt. Pratt has applied for funding through the CHPHF program since 2012 and has watched demand increase.

"We're talking about people who are living on $20,000 to $12,000 a year," Pratt said. Ford received estimates of $6,000 to $8,000 when the first inquired. She told the contractors not to bother coming back. Then she connected with Pratt at the Alliance.

"Having the (CHPHF) program has enabled us to say to people, 'let's see what we can do to help.'"

— Sharon Pratt, Executive Director, Paducah Alliance of Neighbors

A working bathroom enabled Ford to stay in her home, something she was determined to do even when her son offered to have her move in with him and his family. Keeping people in their homes and providing affordable housing are the Alliance's goals. As Pratt pointed out, it is cheaper for individuals and for the community to maintain existing houses than to tear them down and build new. "That's important not just for those individual homeowners, but it also goes to be important for the community as a whole and for neighborhoods," said Pratt. Investing in house maintenance reduces homelessness and builds up the community, rather than tearing it down or displacing it.

The hardest part of Pratt's job is having to tell homeowners she can't help them. "Having the (CHPHF) program has enabled us to say to people, 'let's see what we can do to help.'"

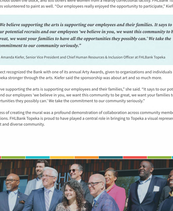
"I can't think of a better way to honor the legacy and commitment of Mrs. Peterson to affordable housing than providing more than $14 million in grants on that over 2,500 families in Kentucky, Ohio and Tennessee can remain in their homes."

— Damon Allen, FHLBank Cincinnati

Celebrating Diversity, Equity and Inclusion in Our Communities

FHLBank Topeka sponsored a community mural focused on diversity, equality, justice and inclusion in Topeka.

The Federal Home Loan Bank of Topeka (FHLBank Topeka) made possible a 120 by 30-foot mural near the site where the U.S. Supreme Court dismantled the legal framework for racial segregation in public schools with a $20,000 lead sponsorship to ArtsConnect Topeka. **The mural stands as a monument to diversity, equality, justice and inclusion and as a symbol of community collaboration**.



FHLBank Topeka's woven into the fabric of the Topeka community. The Bank has been a longtime supporter of local nonprofits, including Living the Dream, a nonprofit that helps preserve the legacy and example of Dr. Martin Luther King, Jr. The Bank sponsored buses to transport school children to Living the Dream guest speakers and funded scholarships through the nonprofit. So, when ArtsConnect wanted to use children's artwork from a Living the Dream contest for a community mural, turning to FHLBank Topeka seemed like a natural step.

Sarah Fost, Executive Director of ArtsConnect, said the connection between FHLBank Topeka saved the project. The mural, the largest ArtsConnect had created, would cost approximately $100,000, and in early discussions, people told Fost it was "too big" and that it "can't be done." Enter FHLBank Topeka.

"It really was FHLBank Topeka's investment in the project that made it possible for us to go forward and make it public."

— Sarah Fost, Executive Director of ArtsConnect

Fost recalls stepping a happy dance when she got the call and pledge from Amanda Kiefer, Senior Vice President and Chief Human Resources & Inclusion Officer at FHLBank Topeka. Fost said, "It really was FHLBank Topeka's investment in the project that made it possible for us to go forward and make it public."

Funding from the Bank kickstarted the project. It helped pay for materials such as paint and tents and subsidized transportation for participants who came from outside the city. It also allowed ArtsConnect to hold community engagement events in support of the project.

In 2018, the mural was unveiled in front of more than 500 people, many of them community members who had painted sections of the mural. In total, there were 2,300 people from 38 states and nine countries helped paint. Some were out of boosters visiting the historic site, others were schoolchildren from the Williams Science and Fine Arts Magnet School down the block, and still others were women from a nearby correctional facility. Fost said the facility's employees volunteered to paint as well. "Our employees really enjoyed the opportunity to participate," Kiefer said.

"We believe supporting the arts is supporting our employees and their families. It says to our potential recruits and our employees 'we believe in you, we want this community to be great, we want your families to have all the opportunities they possibly can.' We take the commitment to our community seriously."

— Amanda Kiefer, Senior Vice President and Chief Human Resources & Inclusion Officer at FHLBank Topeka

ArtsConnect recognized the Bank with one of its annual Arts Awards, given to organizations and individuals that make Topeka stronger through the arts. Kiefer said the sponsorship was about art and so much more.

"We believe supporting the arts is supporting our employees and their families," she said. "It says to our potential recruits and our employees 'we believe in you, we want this community to be great, we want your families to have all the opportunities they possibly can.' We take the commitment to our community seriously."

The process of creating the mural was a profound demonstration of collaboration across community members and organizations. FHLBank Topeka is proud to have played a central role in bringing to Topeka a visual representation of its vibrant and diverse community.