



# **Office of Minority and Women Inclusion Policy**

A policy approved by the [Board of Directors](#)

Approval date: August 22, 2018

Effective date: August 22, 2018

## **I. Philosophy**

In conjunction with the commitment of the Federal Home Loan Bank of Dallas (the “Bank”) to comply with 12 CFR 1223, as promulgated by the Federal Housing Finance Agency (the “FHFA”), which implements Section 1116 of the Housing and Economic Recovery Act of 2008, this policy addresses: (i) the Bank’s commitment to the inclusion and utilization of Minorities, women, individuals with Disabilities, and Minority-, Women-, and Disabled-Owned Businesses, in its work force and its Business Activities, and (ii) the Bank’s establishment of the Office of Minority and Women Inclusion (the “OMWI”) .

## **II. Definitions**

**“Business Activities”** means operational, commercial, and economic endeavors of any kind, whether for profit or not for profit, and whether regularly or irregularly engaged in by the Bank, including, but not limited to, the management of the Bank, employment activities, procurement activities, insurance transactions, and all types of contracts; provided, however, transactions between the Bank and its members and any transactions expressly excluded under 12 CFR 1223 shall not be considered Business Activities for the purposes of this Policy.

**“Disability”** has the same meaning given to such term in 29 CFR 1630.2(g) and 1630.3 and Appendix to Part 1630-Interpretive Guidance on Title I of the Americans with Disabilities Act.

**“Disabled-Owned Business”** means a business, including, but not limited to, financial institutions, firms engaged in mortgage banking, investment banking, financial services, asset management, investment consultants or advisors, underwriters, accountants, brokers, broker-dealers, and providers of legal services (1) which are qualified as a Service-Disabled Veteran-Owned Small Business Concern as defined in 13 CFR 125.8 through 125.13, or (2) more than fifty percent (50%) or more of the ownership or control of which is held, directly or indirectly, by one or more persons with a Disability.

**“Diversity”** means the inclusion of Minorities, women, and individuals with Disabilities in the Bank’s work force and Minority-, Women-, and Disabled-Owned Businesses in the Bank’s Business Activities.

**“Diversity & Inclusion (D&I) Strategic Planning”** is the process of analyzing the business and activities of a regulated entity to develop strategies for promoting diversity and ensuring the inclusion of minorities, women, individuals with disabilities, and MWDOBs in all activities and at every level of the organization, including management, employment, and contracting. A D&I strategic plan serves as the primary means to communicate the board of directors’ long-term D&I vision for the organization, to establish measurable goals and objectives for achieving the vision, and to ensure accountability for achieving those goals and objectives.

**“Diversity Spend with Non-Diverse Owned Businesses”** means the dollar amount(s) paid by a regulated entity to a prime contractor that is not a minority-, women-, or disabled-owned business for professional services (i.e., the amount paid for work performed, as may be adjusted, in connection with providing legal, accounting, or other professional or consulting services) provided by or allocated to a partner, member, or other equity owner who is a minority, woman, or an individual with a disability.

**“Minority”** means any Black (or African) American, Native American (or American Indian), Hispanic (or Latino) American, or Asian American.

**“Minority-Owned Business”** means a business, including, but is not limited to, financial institutions, firms engaged in mortgage banking , investment banking , financial services, and asset management, investment consultants or advisors, underwriters, accountants, brokers, broker-dealers, and providers of legal services in which more than fifty percent (50%) of the ownership or control is held directly or indirectly, by one or more Minority individuals, and more than fifty percent (50%) of the net profit or loss which accrues to one or more minority individuals.

**“Prime Contractor (Tier 1)”** means a supplier that enters into a contract with a regulated entity to provide goods and/or services directly to that regulated entity.

**“Subcontractor (Tier 2)”** means a supplier that enters into a contract with a prime contractor (tier 1) of a regulated entity to provide goods and/or services to that prime contractor (tier 1) for the benefit of the regulated entity.

**“Vendor”** means the Bank’s counterparty or supplier in a Business Activity.

**“Women-Owned Business”** means a business, including, but is not limited to, financial institutions, firms engaged in mortgage banking , investment banking , financial services, and asset management, investment consultants or advisors, underwriters, accountants, brokers, broker-dealers, and providers of legal services in which more than fifty percent (50%) of the ownership or control is held, directly or indirectly, by one or more women, and more than fifty percent (50%) of the net profit or loss of which accrues to one or more women.

### **III. Bank’s Commitment to Diversity**

The Federal Home Loan Bank of Dallas is committed to diversity inclusion in all areas of its business activities including employment, management, procurement and contracting. As such, it is the policy of the Bank to afford equal opportunity in employment and contracting without regard to race, color, national origin, sex, religious preference, age, sexual orientation, genetic information, gender identity, status as a parent, disability, veteran or any other status protected by applicable law. This includes actions and decisions involving, but not limited to, recruitment, hiring, training, promotion, transfer, compensation, benefits, lay-off, reinstatement, corrective action, discharge, performance, social and recreational programs, management, procurement and contracting. Furthermore, the Bank prohibits reprisal for reporting alleged harassment, retaliation or discrimination of any kind against an individual for making a good faith complaint or assisting in the investigation of such a complaint.

### **IV. Establishment of the Office of Minority and Women Inclusion**

An OMWI has been established and the Chief Administrative Officer serves as OMWI Director. The Bank shall notify the Director of the FHFA (or his/her designee) within thirty (30) days after any change in the designation of the OMWI within the organizational structure of the Bank.

The OMWI is responsible for: (i) leading the regulated entity's board-approved strategies for fulfilling the requirements of the regulations and requirements as the Director may issue hereunder; (ii) leading the initiatives associated with the strategic goals and objectives as outlined in the board-

approved D&I Plan and (iii) reporting to Board of Directors, senior management and the FHFA on such matters.

## **V. Limits and Controls**

The Bank shall promote Diversity in its work force and Business Activities. The OMWI shall ensure the Bank complies with all FHFA regulations on Diversity-related matters.

## **VI. Roles and Responsibilities**

The board of directors of each regulated entity will ensure that the Office of Minority and Women Inclusion, or office designated to lead the regulated entity in performing the responsibilities of this part, is provided relevant resources including, but not limited to, human, technological, and financial resources sufficient to fulfill the requirements of this part. The regulated entity will also ensure that any officer(s) designated to direct and oversee its D&I programs has the necessary knowledge, skills, competencies, and abilities to effectively implement the minimum standards and requirements found in this part. In addition, the Board of Directors shall be responsible for reviewing and approving this Policy on an annual basis.

Executive Management, Division and Department Heads, and all Managers are responsible for ensuring that all Business Activities comply with the Bank's Diversity programs. Vendors, contractors, consultants or financial intermediaries will be evaluated for Diversity status by a third party. If any such Vendors, contractors, consultants or financial intermediaries are unmatched and/or unable to provide documentation to establish their diversity status, the Bank will assume such entity does not qualify for women-, Minority-, or Disabled-owned status.

The Chief Administrative Officer shall be responsible for serving as OMWI Director, recommending Diversity programs and procedures, coordinating Diversity efforts across the Bank, and making periodic reports to the Bank's OMWI Management Committee (OMC), Executive Management Committee, the Board of Directors and the Director of the FHFA (or his/her designee) on the administration of such efforts

The OMWI Management Committee will provide oversight of 1) the Bank's mission to promote diversity, and to ensure the inclusion of minorities, women, and individuals with disabilities in all Bank activities, 2) the OMWI strategic business plan, and 3) the Diversity and Inclusion Council and related activities and programs.

## **VII. Compliance**

The Chief Administrative Officer is responsible for monitoring compliance with this policy. Instances of non-compliance are reported to the OMC.

## **VIII. Related Policies**

- Affirmative Action Policy
- Director Election, Eligibility, and Diversity Policy
- Harassment Policy
- OMWI Procurement Policy