

Yealy pushes building diversity on multiple levels at PowerBreakfast

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By Christian Morrow



WORKING THE ROOM—Federal Home Loan Bank of Pittsburgh Managing Partner Dana Yealy gives an animated presentation on diversity in the bank's policy, procurement and personnel. (Photos by J.L. Martello)

The majority of people have little idea of what the Federal Home Loan Bank is, or how it operates. So when Dana Yealy, Managing Director, General Counsel and Corporate Secretary for the Federal Home Loan Bank of Pittsburgh explained it to the audience at the most recent African American Chamber of Commerce PowerBreakfast, it was enlightening.

But when he told them what the bank was doing to promote diversity—through its lending, through its sourcing and through its direct hiring—it was inspiring.

“We have concerns about (Pittsburgh’s) lack of diversity, and the effect it has on us and on the region,” he said.

The FHLB is not a government agency. It is a collective of private member banks which range in assets from a \$82 million to more than \$2 trillion that lend money for public purposes. One-third of all the world’s current debt is held in FHLB notes.

Because of its size—the system is actually broken into 11 district across the country—and because all of member banks are responsible for the loans any single member makes, the FHLB can and does make loans that federal overseers would not allow strictly private S&Ls or Banks to make.



THANKS—African American Chamber of Commerce President & CEO Doris Carson Williams thanks Dana Yealy for his PowerBreakfast presentation on FHLB diversity initiatives.

“Say you’ve got a guy, a business owner who needs a loan to expand,” said Yealy. “And you know this guy’s a good risk, but the numbers just aren’t up to what the regulators will approve. We make that loan.”

The bank’s focus is in three main areas, small business, affordable housing and community development. Its Banking on Business program loaned \$50 million to 612 small and minority-owned businesses—and it had a 93 percent success rate.

“And last year our Affordable Housing Program put \$25 million into 32,000 housing units,” Yealy said. “Since its inception, it has provided more than \$2 billion to create over 800,000 housing units.”

But with recent surveys indicating that the Pittsburgh region is the least racially diverse in the country, and that it will need 100,000 new workers to fill the gap left by retiring baby boomers, and that racial diversity is a key element in attracting new workers, Yealy said the FHLB is moving beyond just a diverse lending policy.

“We’ve implemented our own ‘Rooney Rule,’” he said. “There has to be at least one woman and one minority in the talent pool for every position we are staffing.”

The bank has also rolled out a supplier diversity program to enhance inclusion in its procurement process. And it is also “suggesting” that its loan recipients take advantage of its growing list of diverse suppliers.

“We purchase construction services, IT hardware, software and services, office supplies, plant maintenance. Go to our website and click on supplier diversity and you’ll see a pdf listing all the products and services we buy—and you can register to be a vendor right there on line,” he said.

“Or better yet, come down to our offices in the ‘Dunkin Donuts’ building on Grant Street and meet with LaNee (Davis), our procurement manager. We are dedicated to increasing our contracts and our spend with diverse suppliers.”