

 ANNUAL REPORT

2022 Annual Report

22 May '23

In our 2022 Annual Report, Philadelphia Fed President Patrick T. Harker and First Vice President James D. Narron share their thoughts on our mission of service. You can also learn more about our key initiatives that support a strong and inclusive economy.



Letter from President Patrick T. Harker

“Better Together” was a key theme in 2022, as opportunities for in-person connections strengthened how we work together in the Bank and serve our communities within the Third District.



Letter from First Vice President James D. Narron

Leading with our values ensures we are on a path to success, especially when challenges arise. In 2022, key advances in our work supported a diverse and inclusive Bank culture.



Q&A: Larry Santucci on Philadelphia's Racially Restrictive Covenants and Their Lasting Effects

In 2022, we launched an interactive map that explores the use of racial covenants in Philadelphia. Larry Santucci of our Consumer Finance Institute discussed why examining these historical barriers to homeownership is important.



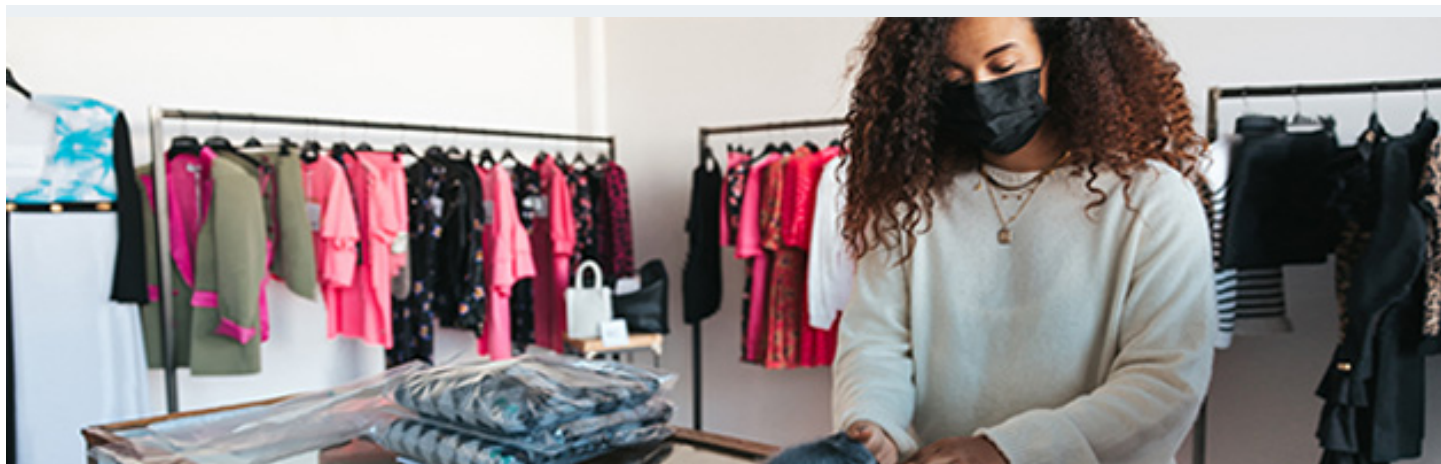
What Is the Anchor Economy Initiative?

A new digital tool introduced in 2022 explores the economic impact of “eds and meds” in 524 U.S. regions. President Patrick Harker and Anchor Economy Initiative Director Deborah Diamond discuss the impact of anchor institutions on regional economies in this video.



Investing in Skills: How Apprenticeships Are Growing

As part of our commitment to expanding career pathways, we initiated a new state-certified apprenticeship program to connect local workers with skills and experience for a career in information technology.








Q&A: Tom Akana on the COVID-19 Survey and Assessing Consumer Well-Being

After two years of tracking consumer well-being during the pandemic, our Consumer Finance Institute published key data sets derived from the survey to allow researchers to continue to learn from this historic event.

Meet Our Leadership, Board, and Councils

We rely on the talents and abilities of our employees and senior leaders as well as the expertise of our board of directors and advisory councils, whose insight and guidance help us carry out our mission of service to the Third District and the nation.

- **Board of Directors** 
- **Community Depository Institutions Advisory Council** 
- **Economic and Community Advisory Council** 
- **Management Committee** 
- **Additional Bank Officers** 

Financial Statements

Read the audited annual financial statements of the Federal Reserve Bank of Philadelphia as of and for the years ended December 31, 2022, and December 31, 2021, as well as the Board of Governors' Statement of Auditor Independence [here](#).

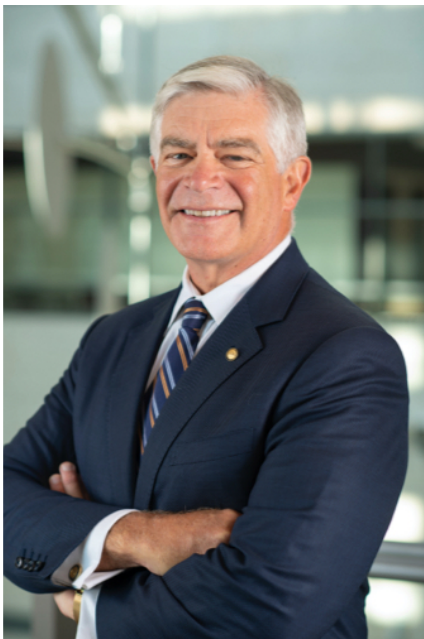
 ANNUAL REPORT

President's Letter: 2022 Annual Report

by **Patrick T. Harker** President and Chief Executive Officer

19 May '23

"Better Together" was a key theme in 2022, as opportunities for in-person connections strengthened how we work together in the Bank and serve our communities within the Third District.



President Harker highlights the importance of connection and how our research and outreach give us key insights about the regional economy.

Staying True to Our Mission

In 2022, our road to recovery was marked with twists and turns. We navigated the lingering effects of the pandemic as well as shifts in the economy and in how we work and live. For those in our District — and the nation — rising inflation has resulted in higher costs for essentials like food, housing, and transportation, with low- and moderate-income households particularly vulnerable. We understand the impact this has on people's ability to pay their bills, save, and plan for the future. The Federal Reserve System as a whole is committed to using all its tools to bring down inflation.

Staying true to the Federal Reserve's mission to support a strong economy, the Philadelphia Fed continued its focus on supporting a healthy economy in the Third District in 2022. We accomplished this through our research, data analysis, and outreach, which enable us to keep an eye on market trends and conditions and to supervise our local financial institutions as we safeguard the strength of the financial sector.

Our research kept pace with trends in the labor market and gathered data from local businesses and U.S. consumers to deepen our understanding of the changing landscape. With the data in hand, we continued to support the Federal Reserve System with our contributions to monetary policy and in fulfilling our dual mandate of stable prices and maximum employment. In turn, we have helped promote a strong labor market and financial security for families while fostering an economy in which everyone can thrive.

As we returned to the office in 2022, we reconnected with one another in a hybrid work environment and reinforced the bonds within our District with our in-person community tours, conferences, and events. These critical connections helped us build on our expertise in consumer finance and economic mobility and provided insights into mortgage forbearance, states' job growth, and local and national economic trends.

Part of the work we do is making sure that our data and research are easily accessible to the public, policymakers, and others who are making complex decisions about our economy. Our team doubled down on analyzing key data and intensifying our research, while working with — and listening to — valued stakeholders and partners. Two path-breaking projects elevated our research with new video and data visualization capabilities: the [Anchor Economy Initiative](#), an innovative tool to quantify the economic impact that hospitals and institutions of higher education have on their local communities, and an [interactive map of racially restricted housing covenants](#) in Philadelphia. I invite you to explore our website to see the depth and breadth of our ongoing research.

As we continue our recovery, one thing is certain: We are better together. Our growth and staying power during these challenging times are testaments to our resiliency, adaptability, and collaboration. But our journey is not over yet; we will continue to adapt and evolve in our quest to better serve the people of the Third District and to help advance an economy that supports opportunities for everyone.

Sincerely,

Patrick T. Harker

A handwritten signature in black ink, appearing to read 'Patrick T. Harker', with a stylized, cursive script.

The views expressed here are solely those of the author and do not necessarily reflect the views of the Federal Reserve Bank of Philadelphia or the Federal Reserve System.

 ANNUAL REPORT

First Vice President's Letter: 2022 Annual Report

by **James D. Narron** First Vice President and Chief Operating Officer

19 May '23

Leading with our values ensures we are on a path to success, especially when challenges arise. In 2022, key advances in our work supported a diverse and inclusive Bank culture.



First Vice President Narron emphasizes how our values are central to how we define success.

Leading with Our Values

Our Bank values of **Collaborate**, **Innovate**, and **Be Open** are embodied in all that we do, from how we approach our mission of serving the people in the Third District to our Bank culture. Simply put, our values define our success.

Collaboration is central to our mission to support a strong economy. We're committed to forging strong partnerships that allow us to better understand how the economy is impacting people's lives. Across the Bank, this includes building cross-functional teams focused on researching the increasing complexity of our regional economy, and more broadly, expanding how we engage our District's residents and community partners.

Approaching our work with creativity and innovation is more important than ever. In July 2022, we launched our first **apprenticeship program** in our Information Technology Services (ITS) Department. This state-certified apprenticeship not only gives workers who may not have a four-year degree an onramp to an IT career, but also provides them with a great opportunity to begin a career at the Fed. We're excited to see our apprentices' progress and hope to expand this effort to other areas of the Bank in the future. Additionally, our first-ever completely asynchronous online Keys to Financial Success program went live in 2022, giving more high school teachers access to new ways to teach — and equip their students with — personal finance skills.

We also came back together in the Bank in 2022. Many of our employees transitioned to a new hybrid work model, which required all of us — leaders included — to be open to learning new skills and different ways of working together. We met this evolution in our workplace with a renewed commitment to foster a diverse, equitable, and inclusive work environment. We seized opportunities to connect in person across the Bank and to grow our network of employee resource groups (ERGs) to include a new ERG focused on supporting employees with disabilities. We've also sharpened our focus on transparency in career pathways and pay equity.

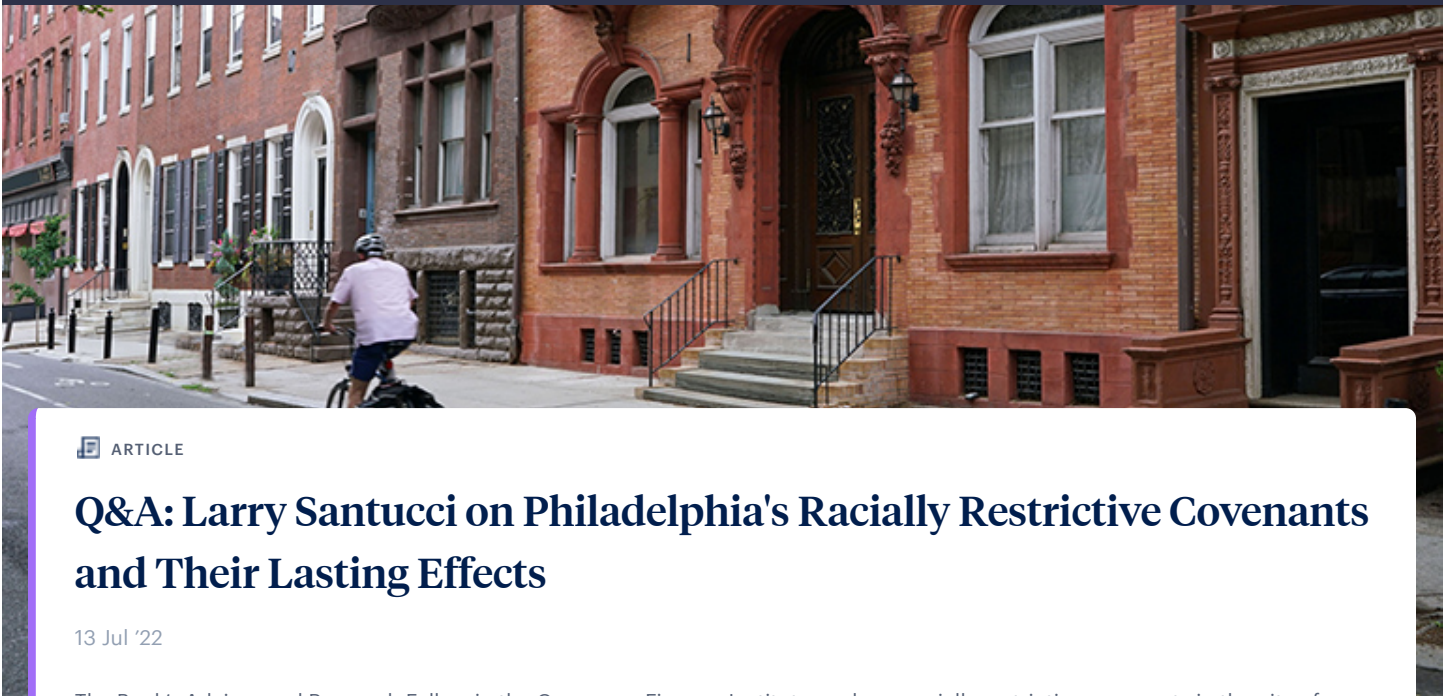
An organization's values say a lot about its culture, but how these values are embedded and upheld when challenges arise often says a lot more. I'm incredibly proud of the work that our dedicated employees have accomplished, particularly in these extraordinary times. I'm grateful to those here who bring these values to life every day and carry our mission forward to foster a robust and inclusive economy.

Sincerely,

James D. Narron

A handwritten signature in black ink, reading "James D. Narron". The signature is fluid and cursive, with the first name "James" being the most prominent part.

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ARTICLE

Q&A: Larry Santucci on Philadelphia's Racially Restrictive Covenants and Their Lasting Effects

13 Jul '22

The Bank's Advisor and Research Fellow in the Consumer Finance Institute explores racially restrictive covenants in the city of Philadelphia and their lasting effects.



Larry Santucci, Advisor and
Research Fellow, Consumer Finance
Institute

Access to homeownership and quality housing is vital to a strong U.S. economy. As part of our efforts to examine historical barriers to housing and their lasting effects, the Philadelphia Fed released an [interactive map](#) of the city of Philadelphia that explores the use of racial covenants: language added to deeds that prevented non-White individuals from buying or renting property. The map shows where nearly 4,000 properties with deeds that included racial covenants were located. These properties formed an invisible barrier to newly developed areas and around predominantly White neighborhoods.

We spoke with **Larry Santucci**, advisor and research fellow in our Consumer Finance Institute (CFI), the researcher behind this project, and asked him how he became interested in racial covenants and how they relate to the mission of CFI and the Fed.

Q: How did you first get the idea to develop this map of racial covenants in the city of Philadelphia?

LS: I listened to a radio interview with Richard Rothstein, who wrote a book called *The Color of Law: A Forgotten History of How Our Government Segregated America*. He was talking about segregation in housing and how the Federal Housing Administration (FHA) continued to use racial covenants as a precondition for mortgage insurance long after the Supreme Court ruled they were unenforceable in 1948. I wondered if racial covenants had been used here in Philadelphia and whether we could find them in the historical deed books.

A few years prior to hearing this interview, I had looked at the average credit score — a measure of creditworthiness — by census tract in Philadelphia and noticed that the tracts with low average credit scores also tended to have majority-Black populations and be historically underserved. After hearing the Rothstein interview, I began to think about the links between present-day financial outcomes and historic forms of housing discrimination such as racial covenants.

I contacted the City of Philadelphia Department of Records. They were able to get us data for the 1920s and 1930s. By **searching thousands of records** for word fragments, we were able to find about 4,000 racial covenants over a roughly 12-year period.

Q: How would you connect this work to the larger mission of CFI and the Fed?

LS: Wealth, income, and access to financial products are interrelated. We know that homeownership is a primary contributor to wealth building. For many families, their home is their only source of wealth. If you prevent certain groups of people from fully accessing the housing market, you effectively limit the returns they can earn on their investment. That affects people's residential mobility, their ability to send their children to college, their financial security in retirement, and their bequests to their children. Researchers have documented that education and location affect future income and employment opportunities. This, in turn, suggests that discriminatory housing policies likely have an intergenerational spillover effect.

Although racial covenants are a thing of the past, researchers have linked historical housing discrimination to wealth accumulation and the racial wealth gap we see today. Access to credit, jobs, wealth building, and economic opportunity are all things that fall under the Fed's mission to ensure financially healthy communities and the overall health of the economy.

Q: When you analyzed the data on racial covenants, what did you find and was there anything that surprised you about it?

LS: I wasn't surprised that we found so many racial covenants, but their location was interesting. We didn't see a lot in areas of the city where the housing stock was older, such as along the Delaware waterfront, where White residents may have been happy to vacate. We also didn't find a lot in Northeast Philadelphia because the area was largely undeveloped. But we did find racial covenants bordering White and non-White neighborhoods and cordoning off the up-and-coming, more suburban areas in the Northeast, Northwest, and Southwest sections of Philadelphia.



Explore our [interactive map](#) of racial covenants in Philadelphia.

One surprising thing we noticed is that some neighborhoods that were heavily covenanted back in the '20s and '30s are now majority-Black areas. This doesn't mean that the covenants did not have their intended effect [of reserving certain areas of the city for Whites]. That was most certainly the case over the first several decades. But covenants eventually became unenforceable in courts, and even before that were often broken by Whites willing to sell or rent to Blacks, often at inflated prices. So over a longer time period, a variety of factors [like court decisions, federal legislation, migration patterns, and White flight] all worked to create the city we know today, which by one measure is the 11th most racially segregated city in the nation. But the initial conditions were significantly influenced by the racial covenants and other policies that violated Black citizens' rights under the equal protection clause of the Fourteenth Amendment.

Q: If racial covenants were invalidated in the 1940s, why are they important today?

LS: For one, sometimes practices continue even after they're made illegal; they just take on a different form. In this case, even though the U.S. Supreme Court said that racial covenants were unenforceable in 1948, their existence in a deed could still send a clear signal to real estate agents and prospective home buyers. You also see very similar language starting to appear in neighborhood and homeowner association agreements around that time. On top of that, there's evidence that housing discrimination, in the form of steering minority racial and ethnic groups away from White neighborhoods, still occurs today.

So the story of racial covenants really doesn't just end one sunny day in 1948. All around the country, the effects of discriminatory housing practices are visible today. A recent study of the Minneapolis area found that racial covenants affected present-day home prices and neighborhood racial composition.

Researchers also think historical housing discrimination played a key role in creating or perpetuating the racial wealth gap, arguably the best barometer of disparities in financial health. Today the gap stands at about 6 to 1, meaning that for every \$60,000 of wealth held by a White household on average, a Black household has just \$10,000. Although we can't draw a direct line from covenants to the racial wealth gap, the cumulative effect of historical housing discrimination has certainly contributed to this disparity.

Q: What are the next steps for this research?

LS: We plan to enhance the data visualization by overlaying historic and present-day racial concentrations by neighborhood. We are also expanding the research to 1910, or as far back as we can go without having to analyze handwritten records, and up until 1965. We believe we will find additional covenanted properties that did not come up in our original search, which will provide further insights.

In addition, with my colleague **Dan Moulton** in CFI, we will look into the connection between racial covenants and residential segregation patterns, home prices, rental and homeownership own rates, and home equity accumulation and intergenerational wealth transfers.

The views expressed here are those of Larry Santucci and do not necessarily reflect those of anyone else at the Federal Reserve Bank of Philadelphia or the Federal Reserve System. Some portions of this interview have been edited for space.

VIDEO

What Is the Anchor Economy Initiative?

30 Jan '23

Can the Anchor Economy Dashboard help us see the full picture of how anchor institutions impact regional economies? Philadelphia Fed President Patrick Harker sat down with Deborah Diamond, director of the Anchor Economy Initiative, to learn more.



The exact impact of anchor institutions, specifically higher education and health-care organizations, on regional economies has not always been clear. How reliant are local economies on anchor institutions? Is there a way to measure reliance, and if so, is there such a thing as a “good” or “bad” score? Philadelphia Fed President **Patrick Harker** asks **Deborah Diamond**, director of the **Anchor Economy Initiative**.





ARTICLE

Investing in Skills: How Apprenticeships Are Growing

by Mary Godleski-Cantin Strategic Messaging Specialist

17 Nov '22

In a tight labor market, on-the-job training is on the rise. At the Philadelphia Fed, a new apprenticeship program is connecting workers who have skills and experience to a career in information technology.



After eight years as a cable technician, Joseph Smith started thinking about a career. He was skilled in running lines and doing at-home installations, but as for troubleshooting and networking — the parts of his work he liked far more — he just wasn't learning those skills on the job.

After hours, he enrolled in an online information technology (IT) certification program. He also started searching job sites, where he stumbled on an IT apprenticeship with the Philadelphia Fed.

"I jumped on the opportunity," Smith said. "Working as a cable tech doesn't roughly prepare you to, say, configure a whole network. This is definitely my entry point to learn IT and utilize my years of hands-on experience, while being employed."

Smith is one of three apprentices who joined the Federal Reserve Bank of Philadelphia earlier this year as part of a pilot registered apprenticeship program. Through a partnership with the Philadelphia-based nonprofit JEVS Human Services, the new 18-month program provides on-the-job training and mentoring for those interested in developing skills for a career at the Fed. The first cohort is working toward completing their apprenticeship as IT generalists, which will culminate in attaining a certificate of completion as fully qualified IT professionals, issued by the Pennsylvania Department of Labor.



Frank Doto, vice president of Human Resources at the Philadelphia Fed

According to Frank Doto, vice president of Human Resources at the Philadelphia Fed, supporting apprenticeships is just one way the Fed is focused on its dual mandate of stable prices and maximum employment. Doto sees on-the-job learning programs as a way to open more doors for workers and strengthen the economy at the regional and national level. “This program really grew out of our research around economic mobility and connecting workers who have the skills and experience — but not always the four-year degree — with on-ramps to a career,” he said.

With the tightening of the labor market, the on-ramps are growing, according to Edison Freire, director of gateway initiatives at JEVs Human Services.

“Companies are very aware that they are competing for candidates, and they know they have to invest in their employees,” Freire said in a recent interview. “Some are reactivating or increasing their training budgets, creating new opportunities for workers.”

Other employers are open to building partnerships that can develop into skills-based talent pipelines. Freire points to a new program with a local health-care organization that is helping to prepare high school graduates for medical assistant positions. The program includes classroom study, an accelerated summer training program, and on-the-job learning, once the students have passed certain certifications.

[Employers] are tapping into a different talent pool that they previously hadn’t thought of as potential candidates. There is a willingness to invest in training and nurturing workers, which is also a tool for retention because it’s not just about a bottom dollar — it’s also about the promise of advancement.

Edison Freire

Director of Gateway Initiatives at JEVs Human Services

An Entry Point

Chris Cheng admits that video games are what sparked his passion for computers. Cheng spent years working in the food services industry, but he always planned to pursue a career in IT.

In 2020, he enrolled in an IT training program through JobWorks, Inc., and earned his CompTIA A+ credential through the program. After

graduating, he landed a position in the Philadelphia school district as a computer support specialist while he continued to build his education through online certifications. It was while Cheng was completing his CompTIA Network+ and Security+ credential that he learned about the new IT apprenticeship at the Philadelphia Fed.

“At first, I wanted to learn cybersecurity, but now I love what I am doing here with the team and hope to stay,” Cheng said. “I consider myself lucky to be here at the Bank, and I plan to keep learning new skills, getting experience, and trying to earn more certifications that can help me advance.”

Cheng is not alone. The number of students and professionals seeking short-term certificates and nondegree credentials is on the rise.

A **conference** hosted by the Philadelphia Fed earlier this year brought together researchers, policymakers, and industry experts to explore how and why this new area of education and training is growing, and what new opportunities it could present for both students and workers. Experts also discussed how greater measures of accountability are needed as more programs emerge, and the role of public financing when they compete with training offered through state and federal workforce development programs.

“Short-term certificates and noncredit programs do offer opportunities to learn and build new skills, particularly for those who may not want to or cannot afford to commit to four years of schooling,” said **Dubravka Ritter**, advisor and research fellow in the Consumer Finance Institute at the Philadelphia Fed.



Dubravka Ritter, advisor and research fellow in the Consumer Finance Institute at the Philadelphia Fed

But Ritter cautions that more research is needed. “We need to examine how these programs are delivering a return on investment for those completing them, and whether [the programs] are being promoted and accessed equitably. These are vital questions for educators, policymakers, and others to consider as the programs expand, and more students opt for this route.”

Diversifying the Workforce

Apprenticeship programs create opportunities for workers and benefits for a company. Drawing a wider talent pool helps employers solve hiring challenges and brings more diversity into the workplace. It’s an advantage that companies rethinking their recruiting practices and degree requirements are now realizing, said Freire.

“Research shows that diversity in the workplace often leads to a lot more innovation,” said Freire. “I think some companies are experiencing this and leveraging this moment to employ a thoughtful approach to diversity, equity, and inclusion within their organizations.”

But having a support system to rely on is essential to integrate workers learning on the job. Apprenticeship programs through JEVS include in-person and virtual instruction to supplement what they are learning and applying on the job. JEVS also pairs apprentices with a coach to help them navigate their new environments and mitigate potential work–life challenges.

At the Philadelphia Fed, the apprentices have access to a JEVS coach, as well as an IT employee who serves as a mentor. The mentor is a senior-level IT employee who provides on-the-job training and teaches the technical competencies needed to meet the requirements of the USDOLIT Generalist Registered Apprenticeship.

“Having an ‘on-the-job support system’ is key to the apprentices’ success,” said Matthew Ellis, manager of Talent Management and Organizational Development at the Philadelphia Fed. “Mentors provide training and technical guidance, but they also help the apprentices transition to the Fed workplace.”

Virgilio Espinal, who grew up in the Dominican Republic and started working in his family’s business during the pandemic, shared how important having that support really is. “I’ll admit, that first day was a little overwhelming,” he said. “But being in an environment where you know they actually want to see you grow, and they’re willing to put all these resources into helping you develop, you see yourself as an asset. You’re motivated to step up; you are your biggest champion when it comes to that.”

Looking to the Future

When asked about the future, the Philadelphia Fed’s apprentices seemed overwhelmingly hopeful.

“My goal is to become a network engineer,” Smith said.

Cheng showed off his growing collection of certifications.

And Espinal wants to become a mentor himself someday. He sees opportunities to grow his skills beyond IT and plans to leverage what he considers his most important asset: his “ability to connect with others through his caring nature,” he said. Cheng also shared a similar idea.



Chris Cheng, left, and Virgilio Espinal, right, joined the Federal Reserve Bank of Philadelphia this year as part of a pilot registered apprenticeship program.

The COVID-19 pandemic caused a widespread upheaval in the labor market and left employers scrambling to fill positions. But Freire sees this broad investment in the workforce — particularly for workers who are looking for pathways to careers — as enduring well beyond the pandemic.

“Yes, workers are looking for a good wage, but they also want to be treated with respect and dignity — not just looking at the bottom line,” Freire said. “There’s this recognition that [employers] ‘see a future for me and they’re investing in me.’ And I think that’s a very important message.”

To learn more about how the Philadelphia Fed is researching and advancing the national dialogue on apprenticeships as a talent recruitment and workforce development strategy, see the [Apprenticeship Guide](#) (June 2017) and [Apprenticeship Guide Update](#) (March 2020). Visit the [Workforce and Economic Development](#) section of our website to see more research and initiatives focused on ensuring a strong and equitable labor market.

ARTICLE

Q&A: Tom Akana on the COVID-19 Survey and Assessing Consumer Well-Being

01 Dec '22

In this Q&A, Tom Akana of our Consumer Finance Institute shares what we learned after two years tracking consumer well-being during the pandemic, why it's important, and where we go from here.



For two years, the *COVID-19 Survey of Consumers* polled people across the U.S. on how they were faring amid massive shifts in our economy and in their daily lives. As part of sunsetting the COVID-19 survey, the Philadelphia Fed's Consumer Finance Institute (CFI) has **published a collection of data sets** derived from the survey.



CFI's Tom Akana sees the surveys as helping us to understand more about the decisions people make as consumers.

Now, CFI is working on a new survey that will provide ongoing data on consumer sentiment and well-being focusing beyond the effects of the pandemic. We talked to **Tom Akana**, CFI advisor and research fellow, to find out what CFI learned from the COVID-19 survey, the value of preserving previous data, and what we can expect going forward.

Q: When the pandemic started, you launched the COVID-19 Survey of Consumers rather quickly. What did you hope to learn? And how did it evolve over time?

TA: Our initial hope was that we could get early information on the segments of the population that were feeling the economic side effects of the pandemic the most and how large those effects were. We were planning to produce public-facing analyses that would provide a checkpoint for those who were interested in how consumers were faring during the pandemic, including policymakers and others who make decisions impacting consumers and the economy. We would also share that data with our internal policymakers and economists to provide real-time context to the aggregated data already available.

Like everyone else at the time we launched, we anticipated a few weeks — maybe a few months — of major changes. That turned into two years and 12 waves of the survey.

Besides gradually improving our survey design and question methodology, we began to see the survey as a tool that would allow very targeted data collection on timely topics. So, for instance, we had single-run or short-run modules on savings rates, checking account overdrafts, mortgage refinancing, the effects of the federal relief programs, debt payments, and education loans, among others.

These modules let us home in on specific economic topics that weren't necessarily apparent early in the pandemic, but that became important at particular points in time as the pandemic evolved. This flexibility to ask modular questions revealed the value of higher-frequency survey work.

Q: The survey ran from April 2020 to April 2022. What were some of the biggest themes that emerged or main takeaways over the course of the survey from your perspective?

TA: One of the biggest things that became clear to me was that the effects of the pandemic were wide ranging, but they were unequal both in the speed of the negative effects and their magnitude. It's generally understood that economic shocks are going to affect high-risk populations more — those with lower incomes, less housing and job stability, and minority populations. Our data reinforced that, while all income ranges, for instance, reported concerns about making ends meet, lower-earning groups showed those concerns sooner and at a higher level than more affluent respondents.

What also struck me was that faster declines in financial security were not countered by faster improvements. Groups that were hit the hardest and the fastest also tended to take longer to show meaningful returns to "normalcy." We also gained interesting insights into which forms of assistance reached their targets more successfully (cash assistance and mortgage forbearance, for instance) and which ones were less successful (rental assistance, in particular).



The COVID-19 survey found that groups that were hit harder and faster by job and income loss, such as younger people and those with lower incomes, also tended to take longer to recover.

Q: You've mentioned previously that you designed the survey to glean insights and uncover trends that were not available from other data sources. What are some examples?

TA: I think the best way to think about it is that most of the data we work with are aggregated and depersonalized. We can see things happening, but we can't necessarily glean the reasons why they're happening or get more information from the people they're happening to. The survey helped us understand the specifics and, at times, ask for underlying reasons for decisions that people were making — decisions that eventually showed up in our larger data sets.

For instance, in mid-2020, when it first looked like things may begin to reopen, we added a question that asked people who reported having lost their jobs or were now working remotely how concerned they were about certain aspects of returning to work. For example, did they fear another shutdown, contracting COVID-19 at work, or struggling to find childcare? This helped us understand some of the roadblocks that employers and policymakers would potentially encounter as the economy began to restart.

Similarly, in late 2021, we began to collect data from education loan holders as we approached the end of the federal student loan payment freeze. We wanted to learn which portions of the population were likely to struggle as they began owing monthly loan payments again. While we were doing that, the restart of payments was delayed and proposals around loan forgiveness began to gain steam. Because of the flexibility and frequency of the survey, we adjusted quickly to changes in the environment and were able to get useful information directly from consumers who were affected.

Q: The pandemic was an unprecedented time. What is the value of preserving these survey results? Who can use this data collection and what do you hope they will take away from it?

TA: The data will provide a snapshot of consumers' job stability and financial security at a variety of points throughout the first two years of

the pandemic. This will allow future researchers to connect their own work to what was happening in real time at the consumer level.

The long-term effects of key events — things like federal policies, relief programs, and vaccine development — will be studied for years. The ability to see data on the immediate effect these had on consumers will provide important context.

Q: The survey series will continue as a quarterly survey of consumers that no longer focuses on pandemic-specific topics but shifts instead to collect general data about consumers' financial situations. Why is it important to gather this information from consumers and how can this survey help us better understand our economy?

TA: While the pandemic is largely behind us, we see huge value in continuing to collect data on consumer finance issues, particularly at a relatively frequent tempo.

The quarterly surveys that we are launching in 2023 will build on the work that we did during the pandemic to provide our researchers with ongoing data relating to how consumers think and feel about their financial situation, the tools they're using day to day, and how their habits are changing over time.



Tom Akana

Advisor and Research Fellow, Consumer Finance Institute
Federal Reserve Bank of Philadelphia

Additionally, we will provide opportunities to explore specific topics that arise as the economy or the consumer finance industry changes in the future. We hope that this will provide a valuable addition to the slate of survey data produced at the Philadelphia Fed and throughout the Federal Reserve System.

Board of Directors

As provided by the Federal Reserve Act, each of the 12 Reserve Banks is supervised by a nine-member board of directors. The directors oversee the Bank's direction and performance, and they participate in the formulation of the Fed's monetary policy through their reports on economic and financial conditions and their decisions on the Bank's discount rate.

CHAIR



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(a) Member of the Bank's Executive Committee; (b) Member of the Bank's Audit Committee; (c) Member of the Bank's Management and Budget Committee; (d) Member of the Bank's Nominating and Governance Committee

Community Depository Institutions Advisory Council

The Community Depository Institutions Advisory Council (CDIAC), established in 2010 and active since 2011, includes representatives from commercial banks, thrift institutions, and credit unions. The council provides information, advice, and recommendations to the Federal Reserve Bank of Philadelphia ("Bank") from the perspective of community depository institutions.



Jeane M. Vidoni

Third District Chair
President and CEO
Penn Community Bank
Doylestown, PA



Donna LoStocco

President and CEO
First Commonwealth Federal
Credit Union
Bethlehem, PA



Elizabeth D. Albano

President and CEO
Artisans' Bank
Wilmington, DE



Lori A. Maley

Vice Chairman, President, and CEO
Bank of Bird-in-Hand
Bird-in-Hand, PA



Christopher J. Annas

Chairman, President, and CEO
Meridian Corporation
Malvern, PA



Gary S. Olson

President and CEO
ESSA Bank & Trust
Stroudsburg, PA



Jon P. Conklin

President and CEO
Woodlands Bank
Williamsport, PA



Andrew Samuel

Chairman and CEO
LINKBANK
Camp Hill, PA



Traci Donahue

President and CEO
Cross Valley Federal Credit Union
Wilkes-Barre, PA



Larry C. Schmidt

President and CEO
1st Bank of Sea Isle City
Sea Isle City, NJ



Brian W. Jones

President/CEO and Director
The First National Bank of Elmer
Elmer, NJ



Jeffrey A. Stopko

President and CEO
AmeriServ Financial, Inc.
Johnstown, PA

Economic and Community Advisory Council

The Economic and Community Advisory Council (ECAC) was originally created in 2008 and was later enhanced in 2016. The council informs the Bank's senior leadership team about emerging trends, issues, and market conditions in the Third Federal Reserve District and nationwide.


Rochelle L. Cameron

ECAC Chair
President and CEO, Chamber of
Commerce for Greater Philadelphia
Philadelphia, PA


John E. Harmon Sr.

Founder, President, and CEO
African American Chamber of
Commerce of New Jersey
Trenton, NJ


Sophia Ahmad

Executive Vice President and Chief Marketing
Officer, Xfinity Consumer Services
Comcast Cable
Philadelphia, PA


Angelique X. Irvin

Chairman and CEO
Clear Align
Eagleville, PA


Tony Allen

President
Delaware State University
Dover, DE


Dennis W. Pullin

President and CEO
Virtua Health
Marlton, NJ


Martin P. Connor

Chief Financial Officer
Toll Brothers, Inc.
Horsham, PA


Joseph Sheetz

Executive Vice Chairman
Sheetz, Inc.
Altoona, PA


Lynne P. Fox

International President
Workers United
Philadelphia, PA


Robin L. Wiessmann

Executive Director and CEO
Pennsylvania Housing Finance Agency
Harrisburg, PA


Jose Garces

Chef and Chief Culinary Officer
The Garces Group
Philadelphia, PA


Omar Woodard

Vice President, Solutions
Results for America
Washington, DC


David Gould

Chief Diversity and Impact Officer
Harris Blitzer Sports and Entertainment
Camden, NJ


Rich Wuerthele

President and CEO
Crayola
Easton, PA

Management Committee

The Management Committee is composed of the Bank's president and CEO, the first vice president and COO, the chief of staff, the executive vice president, and select senior vice presidents. Members advise the president and first vice president on matters of Bank policy and strategy.



Patrick T. Harker

President and Chief Executive Officer



Elizabeth Reilly

Senior Vice President and Chief Financial Officer, Enterprise Risk Management and Financial Management Services



James D. Narron

First Vice President and Chief Operating Officer



Jeanne R. Rentezelas

Senior Vice President and General Counsel, Legal and Law Enforcement



Michael Dotsey

Executive Vice President, Director of Research, and Director of the Consumer Finance Institute



Paul Smith

Senior Vice President of Facilities and Cash Services



Terry E. Harris

Senior Vice President and Chief Information Officer, Information Technology Services



William G. Spaniel

Senior Vice President and Lending Officer, Supervision, Regulation, and Credit



Deborah L. Hayes

Senior Vice President, Corporate Affairs



Patricia Wilson

Senior Vice President, Chief of Staff, and Corporate Secretary



Mary Ann Hood*

Senior Vice President and EEO Officer, Human Resources, and Director, Office of Diversity, Equity, and Inclusion, and Law Enforcement



LIAISON TO THE COMMITTEE

Michelle McClarren

Senior Vice President and General Auditor, Audit



Kelly Scott Jones

Senior Vice President, Human Resources, and Director, the Office of Minority and Women Inclusion

*retired 2022

Additional Bank Officers

SENIOR VICE PRESIDENTS

Larry Cordell

Senior Vice President
Supervision, Regulation, and Credit

Robert Hunt

Senior Vice President and Associate
Director
Consumer Finance Institute

Stanley J. Sienkiewicz

Senior Vice President
Research

Keith Sill

Senior Vice President, Associate Director
of Research, and Director of the Real-Time
Data Research Center
Research

Theresa Y. Singleton

Senior Vice President and Community
Affairs Officer
Community Development and Regional
Outreach

VICE PRESIDENTS

Roc Armenter

Vice President and Economist
Research

Mitchell S. Berlin

Vice President and Economist
Research

Satyajit Chatterjee

Vice President and Economist
Research

Julia Cheney

Vice President and Assistant Director
Consumer Finance Institute

Kori A. Connelly

Vice President and Deputy General Counsel
Legal

Frank J. Doto

Vice President
Human Resources

Dusty Downs

Vice President
Cash Services

Gregory Fanelli

Vice President
Information Technology Services

Christopher C. Henderson

Vice President
Supervision, Regulation, and Credit

Jill Hettinger

Vice President
Supervision, Regulation, and Credit

Nancy R. Hunter

Vice President and Information Security
Officer
Information Technology Services

Charles Kirkland Jr.

Vice President
Financial Statistics

Jeffrey Lin

Vice President and Economist
Research

Robin P. Myers

Vice President
Supervision, Regulation, and Credit

Michael P. O'Brien

Vice President
Law Enforcement

Gregory A. Ramick

Vice President
Cash Services

Robert T. Ross Jr.

Vice President
Enterprise Risk Management

Perry Santacecilia

Vice President
Supervision, Regulation, and Credit

Marion W. Sindoni

Vice President
Strategic Communications & Digital
Engagement

Kimberly J. Taylor

Vice President
Human Resources

Patrick F. Turner

Vice President
End User Services

Linda Van Valkenburg

Vice President
Information Technology Services

William T. Wisser

Vice President
Supervision, Regulation, and Credit

Additional Bank Officers

ASSISTANT VICE PRESIDENTS

Xudong An

Assistant Vice President
Supervision, Regulation, and Credit

Joanne M. Branigan

Assistant Vice President
Supervision, Regulation, and Credit

Jonathan Brown

Assistant Vice President
Supervision, Regulation, and Credit

Brian W. Calderwood

Assistant Vice President
End User Services

Greg Carpenter

Assistant Vice President
End User Services

Kimberly Caruso

Assistant Vice President
Supervision, Regulation, and Credit

Kenneth Chin

Assistant Vice President
Cash Services

Maryann T. Connelly

Assistant Vice President and Counsel
Legal

James W. Corkery Jr.

Assistant Vice President
Supervision, Regulation, and Credit

Michael T. Costello

Assistant Vice President
Supervision, Regulation, and Credit

Daniel W. Crouthamel

Assistant Vice President
Research

Heather C. Derbyshire

Assistant Vice President
Financial Statistics

Matthew R. Frame

Assistant Vice President
Supervision, Regulation, and Credit

Jeffrey Fries

Assistant Vice President
End User Services

Donna Gallo

Assistant Vice President and Assistant
General Auditor
Audit

Amber Germain

Assistant Vice President
Enterprise Risk Management

Andrew Hill

Assistant Vice President
Economic Education

Douglas J. Hovern

Assistant Vice President
Facilities

Yilin Huang

Assistant Vice President
Supervision, Regulation, and Credit

Anjanette Kichline

Assistant Vice President
Supervision, Regulation, and Credit

Andrew A. Kish

Assistant Vice President
Supervision, Regulation, and Credit

Daniel R. Kutschera

Assistant Vice President
Supervision, Regulation, and Credit

James K. Lofton

Assistant Vice President
Cash Services

Lorraine A. Lopez

Assistant Vice President
Supervision, Regulation, and Credit

Meredith Mann

Assistant Vice President
Information Technology Services

Erin K. Mierzwa

Assistant Vice President
Community Development and Regional
Outreach

Chellappan Ramasamy

Assistant Vice President
Supervision, Regulation, and Credit

Rebecca C. Robinson

Assistant Vice President
Office of Diversity, Equity, and Inclusion

Kerry Rowe

Assistant Vice President
Research

Joshua N. Silverstein

Assistant Vice President and Contracts
Counsel
Legal

Eric A. Sonnheim

Assistant Vice President
Supervision, Regulation, and Credit

Thomas Stark

Assistant Vice President
Research

James Terry IV

Assistant Vice President
Strategic Communications & Digital
Engagement

OFFICERS

Daniel Adamczyk

Officer
Executive Area

Andrea Anastasio

Officer
Supervision, Regulation, and Credit

Brie Coellner

Officer
Research

Vidya Shenoy

Officer
Supervision, Regulation, and Credit

Jack Terruso

Counsel and Officer
Legal

Financial Statements: 2022 Annual Report



The audited annual financial statements of the Federal Reserve Bank of Philadelphia as of and for the years ended December 31, 2022, and December 31, 2021, are incorporated here by reference. They are available at the Board of Governors of the Federal Reserve System at <https://www.federalreserve.gov/aboutthefed/files/philadelphiafinstmt2022.pdf>. That public disclosure also provides: Notes to Financial Statements, Management's Report on Internal Control over Financial Reporting, and the Independent Auditors' Report.

The Board of Governors' Statement of Auditor Independence is provided below.

Statement of Auditor Independence

The Federal Reserve Board engaged KPMG to audit the 2022 combined and individual financial statements of the Reserve Banks and the financial statements of the three limited liability companies (LLCs) that are associated with the Board of Governors' actions to address the coronavirus pandemic, of which two LLCs are consolidated in the statements of the Federal Reserve Bank of New York and one LLC is consolidated in the statements of the Federal Reserve Bank of Boston.¹

In 2022, KPMG also conducted audits of internal controls over financial reporting for each of the Reserve Banks. Fees for KPMG services totaled \$9.2 million, of which approximately \$1.5 million were for the audits of the LLCs.² To ensure auditor independence, the Board of Governors requires that KPMG be independent in all matters relating to the audits. Specifically, KPMG may not perform services for the Reserve Banks or affiliated entities that would place it in a position of auditing its own work, making management decisions on behalf of the Reserve Banks, or in any other way impairing its audit independence. In 2022, the Bank did not engage KPMG for any non-audit services.

¹ In addition, KPMG audited the Office of Employee Benefits of the Federal Reserve System (OEB), the Retirement Plan for Employees of the Federal Reserve System (System Plan), and the Thrift Plan for Employees of the Federal Reserve System (Thrift Plan). The System Plan and the Thrift Plan provide retirement benefits to employees of the Board, the Federal Reserve Banks, the OEB, and the Consumer Financial Protection Bureau.

² Each LLC will reimburse the Board of Governors for the fees related to the audit of its financial statements from the entity's available assets.