



THE DEPUTY SECRETARY OF THE TREASURY
WASHINGTON

December 10, 2021

Dear Deputy Secretary:

As part of President Biden's whole-of-government approach to racial equity and support for underserved communities, including through [Executive Order 13985](#) ("Advancing Racial Equity and Support for Underserved Communities Through the Federal Government"), Treasury has been assessing its programs and practices to best advance this core priority. This assessment has led us to renew our efforts to promote supplier diversity among external providers supporting the delivery of Department resources.

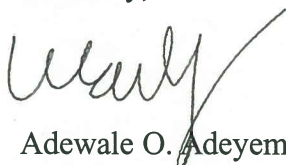
To this end, I am writing today to share information about the Treasury Department's Minority Bank Deposit Program (MBDP), a program managed by the Bureau of the Fiscal Service. The MBDP aims to strengthen and preserve (1) minority-owned financial institutions, (2) women-owned financial institutions, and (3) credit unions that assist underserved communities. The program currently has [67 participating financial institutions](#) in 27 states and territories. To support this program and advance our shared commitment to equity and support for underserved communities, your agency could voluntarily consider using one or more of these MBDP financial institutions to meet your various banking and financial service needs.

Minority-owned financial institutions play a vital role in promoting the economic viability of underserved communities. These banks are at the forefront of providing equitable access to capital and often serve as the sole institutions providing banking services in their communities. According to a 2019 report from the Federal Deposit Insurance Corporation, minority-owned institutions originate a greater share of mortgages to borrowers in low- and moderate-income census tracts and in census tracts with larger shares of minority populations than institutions that are not minority owned, despite holding a smaller share of total aggregate loans nationally.

Federal agencies may use MBDP institutions to meet their banking needs, particularly in receiving deposits of public money. MBDP banks can also supplement existing banking arrangements, offering additional services alongside agencies' current providers. If you wish to use the services of an MBDP institution (or non-MBDP), the Bureau of the Fiscal Service can engage with that institution to designate it as a depository for the federal government. Most banking services provided by depositories are provided free of charge to agencies. I encourage you to support the MBDP by collaborating with the Bureau of the Fiscal Service during your search for financial institutions to meet your agency's banking needs.

As we all work together to enhance diversity, equity, and inclusion throughout federal government operations, I ask that you consider our MBDP list as you select your banking service providers. If you have any questions, I encourage you to reach out to my team at the Bureau of the Fiscal Service by contacting Yvette Downs, Director of the Banking Policy and Oversight Division at Yvette.Downs@fiscal.treasury.gov. I look forward to hearing how the MBDP has enhanced your agency's ability to diversify your suppliers and financial service providers. I look forward to hearing how the MBDP has enhanced your agency's ability to diversify your suppliers and financial service providers.

Sincerely,



Adewale O. Adeyemo

References:

[Executive Order 13985](#)

[Executive Order 11458](#)

[Executive Order 11625](#)

[Executive Order 12138](#)

[Financial Institutions Reform, Recovery, and Enforcement Act \(FIRREA\)](#)

[Minority Bank Deposit Program](#)