



TAKING STOCK & MAKING CHANGE

FY15

Annual Report to
Congress

Office of Minority and Women Inclusion

Departmental Offices

U.S. Department of the Treasury

TABLE OF CONTENTS

Contents

MESSAGE FROM THE CHIEF DIVERSITY & INCLUSION OFFICER.....	5
EXECUTIVE SUMMARY.....	7
OVERVIEW.....	9
LEADERSHIP COMMITMENT & STRATEGIC PLAN	12
 BUSINESS DIVERSITY & INCLUSION	15
Minority Owned and Women Owned Business Utilization.....	15
Trends in Minority Owned Business Utilization	
Trends in Women Owned Business Utilization	
Trends in MWOB Small Business Utilization	
MWOB Participation in Specific Acquisition Categories	
Initiatives & Accomplishments	23
Outreach	
Accountability	
Good Faith Effort Mandate	
 WORKFORCE DIVERSITY & INCLUSION	27
Workforce Demography.....	27
Racial/Ethnic and Gender Profiles	
Benchmark Comparisons	
Senior Management	
All Grade Groupings	
Hiring and Attrition	
Mission Critical Occupations	
New IQ Inclusion Index	
Initiatives & Accomplishments	39
Accountability	
Quantitative and Qualitative Analysis	
Outreach	
Inclusive Diversity Awareness and Training	
Economic Empowerment	
Challenges.....	42
 CONCLUSIONS AND FISCAL YEAR 2016 PLANS	43
Business Diversity and Inclusion	43
Workforce Diversity and Inclusion.....	45

MESSAGE FROM THE CHIEF DIVERSITY & INCLUSION OFFICER



L-R: President/CEO Liberty Bank & Trust Alden McDonald, Assistant Secretary for Management Brodi Fontenot, Secretary Jacob J. Lew, and Ambassador Andrew Young

Freedman's Bank Commemoration

The year 2015 marked the sesquicentennial anniversary of the establishment of the Freedman's Savings and Trust Company, or the Freedman's Bank, as it became known. Congress passed the bill to create the bank in February 1865 and President Abraham Lincoln signed it into law on the third of March of that year.

The Freedman's Bank was a bold and, perhaps, even radical idea for its time. It was established to help formerly enslaved African Americans build wealth by providing a safe place to bank and save their money. While it was originally created for African American Civil War soldiers, most of the account holders were low-wage earners, such as laborers, cooks, custodians, nurses, barbers, and blacksmiths – many of whom were earning wages for the first time. Accounts were also held by prominent African Americans who had been free long before emancipation, like Frederick Douglass (social reformer and statesman), Captain O.S.B. Wall (the first African American army captain), African American professors at Howard University, and African American physicians at Freedman's Hospital (now Howard University Hospital). Additionally, accounts were held by African American churches, social organizations, and schools, including Howard University.

37 branch offices in 17 states and the District of Columbia were opened. The Washington D.C. branch became the headquarters, located on the southeast corner of Lafayette Square – across the street from the White House and the Treasury Building. Unfortunately, after 9 years of operation, Freedman's Bank failed and closed on June 29, 1874. The bank headquarters building was later sold and demolished and a new building was erected on the site in 1919 that became the annex to the Treasury.

On January 7, 2016, Treasury Secretary Jacob J. Lew named the Treasury annex in commemoration of the 150th anniversary of the founding of the Freedman's Savings and Trust Company. It is now known as the Freedman's Bank Building. At the naming ceremony, Secretary Lew stated:

As we honor the legacy of the Freedman's Bank, it reminds us of the need for effective regulation and oversight, and symbolizes our commitment to ensuring more Americans have the financial tools and education they need to build a secure future.

Freedman's Bank symbolized the aspirations of all Americans to be fully integrated into our nation's economic life. It also represented the federal government's commitment to helping make financial inclusion a reality. The Offices of Minority and Women Inclusion carry forth an important part of that commitment within each of the federal financial services/regulatory agencies.

This fifth annual report to Congress, detailing the diversity and inclusion efforts within the U.S. Department of the Treasury headquarters (Departmental Offices), touts successes and describes challenges that still need to be addressed. It is our aim to ensure that those who work at Treasury represent every face of America and that Treasury's business activities reflect fair utilization of the American's diverse business community.

Lorraine Cole, Ph.D.

Chief Diversity and Inclusion Officer
Office of Minority and Women Inclusion
Departmental Offices
U.S. Department of the Treasury

FY **2015**
October 1 to September 30

BY THE NUMBERS

28

PERCENTAGE OF WOMEN PERMANENT
EMPLOYEES AT THE SENIOR EXECUTIVE
SERVICE (SES) LEVEL

FEVS INCLUSION
QUOTIENT SCORE

61.9

PERCENTAGE OF MINORITY
PERMANENT EMPLOYEES AT
THE SENIOR EXECUTIVE SERVICE
(SES) LEVEL

45 **34**

PERCENTAGE OF
WOMEN PERMANENT
EMPLOYEES

PERCENTAGE OF
RACIAL/ETHNIC MINORITY
PERMANENT EMPLOYEES

1,732

TOTAL NUMBER OF
PERMANENT EMPLOYEES

\$30,774,980

TOTAL AMOUNT OF CONTRACT DOLLARS
OBLIGATED WITH WOMEN-OWNED BUSINESSES

15

12

PERCENTAGE OF CONTRACTS
OBLIGATIONS WITH
WOMEN-OWNED BUSINESSES

17

PERCENTAGE OF CONTRACTS
OBLIGATIONS WITH
MINORITY-OWNED BUSINESSES

\$42,662,573

TOTAL AMOUNT OF CONTRACT
DOLLARS OBLIGATED WITH
MINORITY-OWNED BUSINESSES

49.9

FEVS
FAIRNESS
SCORE

EXECUTIVE SUMMARY

The Office of Minority and Women Inclusion (OMWI) in the Department of the Treasury Departmental Offices was established by the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) § 342 (P.L. 111-203) and is responsible for all matters relating to diversity in management, employment, and Treasury's business activities in Departmental Offices, excluding the enforcement of statutes, regulations, or executive orders pertaining to civil rights. This fifth annual report is submitted to Congress pursuant to the Dodd-Frank Act regarding the actions taken by Treasury and the OMWI during Fiscal Year (FY) 2015.



BUSINESS DIVERSITY: Despite the absence of mandated contracting goals for other than small businesses, the commitment to minority owned and women owned business utilization within Treasury Departmental Offices remained strong. In FY 2015, Treasury Departmental Offices' total procurement contracts for goods and services represented \$250 million in obligations (with 1,958 contract obligations), with nearly one-quarter (24.15 percent) of contract dollars totaling more than \$60 million going to either minority-owned or women-owned businesses. A total of \$43 million, or 17 percent of total contracts, was awarded to minority-owned businesses. Furthermore,

\$31 million or 12 percent was awarded to women-owned businesses of all sizes. Among the small business categories, contract obligations to small disadvantaged businesses represented 13 percent of all Departmental Offices contracts; and contract obligations to women-owned small businesses represented 10 percent – both well above the 5 percent statutory goal.

A challenge to implementing the contractor diversity provisions of Dodd-Frank Act § 342 is the outlook for opportunities in the foreseeable future. Overall reduced budgets for discretionary spending are likely to have an impact on available contracting opportunities. Similarly, strategic sourcing initiatives to increase efficiencies may further reduce spending and may reduce the number of vendors receiving awards. In addition, as programs related to the recent financial crisis continue to wind down, such as the Troubled Asset Relief Program, there will be a continued reduction in related contracts. As always, Treasury assures that all contracting is conducted in a manner consistent with the Equal Protection Clause of the Constitution, which prohibits many forms of affirmative action and the establishment of quotas based on race and gender, among other things.

WORKFORCE DIVERSITY: In FY 2015, the Treasury Departmental Offices permanent workforce of 1,732 represented about 2 percent of the total Treasury-wide workforce. Approximately one-third (34%) of Treasury Departmental Offices permanent employees across all grade levels are racial or ethnic minorities. Blacks represent the largest of the minority groups at 21 percent. Asians and Hispanics comprise 9 percent and 4 percent, respectively. Native Hawaiian or Other Pacific Islanders, American Indian or Alaska Natives, and those who identify themselves as Two or More Races each represent less than 1 percent of the total Treasury Departmental Offices permanent workforce. Within senior management positions, minorities represent 15 percent of the permanent GS-15 level, and 15 percent of the permanent senior executive service (SES) positions. With regard to gender representation within Treasury Departmental Offices, 45 percent are women and 55 percent are men. Within senior management positions, women fill 39 percent of the permanent GS-15 level and 28 percent of the permanent SES positions.



Treasury Departmental Offices has faced significant challenges to implementing the workforce diversity provisions of the Dodd-Frank Act § 342. The three most prominent challenges have been budgetary restraints, retention rates, and perceptions of the existing workplace culture. First, the tight budget environment that Treasury has been operating in recent years has had a direct impact on hiring. Therefore, although there will be a continued need for proactive strategies to ensure broad outreach to diverse candidate pools, there will be fewer available positions. In addition, Treasury must ensure that all hiring practices are conducted in a manner consistent with federal law, which conflicts with some forms of affirmative action and prohibits the establishment of quotas based on race/ethnicity and gender. Second, the respective attrition rates of Hispanics and women exceed their hire rates in the Treasury Departmental Offices permanent workforce. Third, based on the Inclusive Environment Assessment Index developed by the Office of Personnel Management, it is evident that workplace inclusion is challenging across federal agencies. Therefore, building a more inclusive workplace environment within Treasury Department Offices has been part of the coordinated effort to transform the workplace culture across the federal government.



OVERVIEW

This fifth annual report is submitted to Congress pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) § 342 (P.L. 111-203) regarding the actions taken by Treasury and the Office of Minority and Women Inclusion, Departmental Offices (OMWI) during Fiscal Year (FY) 2015.¹

U.S. Department of the Treasury

Mission

Maintain a strong economy and create economic and job opportunities by promoting conditions that enable economic growth and stability at home and abroad; strengthen national security by combating threats and protecting the integrity of the financial system; and manage the U.S. government's finances and resources effectively.

GOALS

1

Promote domestic economic growth and stability while continuing reforms of the financial system

2

Enhance U.S. competitiveness and job creation, and promote international financial stability and more balanced global growth

3

Fairly and effectively reform and modernize federal financial management, accounting, and tax systems

4

Safeguard the financial system and use financial measures to counter national security threats

5

Create a 21st century approach to government by improving efficiency, effectiveness, and customer interaction

1. For the purposes of this report and consistent with Dodd Frank Act § 342 (g) (3), the standards employed by the Office of Personnel Management (OPM), and the Equal Employment Opportunity Commission (EEOC), the definition used for the term "minority" is: Hispanic or Latino; Black or African American; Asian; Native Hawaiian or Other Pacific Islander; and American Indian or Alaska Native.

U.S. Department of the Treasury

Throughout its rich history, Treasury's core mission has not changed. With nearly 100,000 employees in its ranks, Treasury is still the steward of the U.S. economy – taking in revenue, paying bills, and, when appropriate, borrowing and investing public funds. In more recent years, Treasury's role has expanded to being a leader in safeguarding and growing the nation's economy.

Treasury is organized into the Departmental Offices, seven operating bureaus, and three inspectors general. The Departmental Offices are primarily responsible for policy formulation, while the bureaus are primarily the operating units of the organization. Internally, the Departmental Offices are responsible for overall management of Treasury.

Treasury Departmental Offices

The Office of Domestic Finance
The Office of Economic Policy
The Office of General Counsel
The Office of International Affairs
The Office of Legislative Affairs
The Office of the Assistant Secretary
for Management
The Office of Public Affairs
The Office of Tax Policy
The Office of Terrorism and
Financial Intelligence
The Treasurer of the United States

Treasury Departmental Offices (Headquarters)

Domestic Finance works to preserve confidence in the U.S. Treasury market, effectively manage federal fiscal operations, strengthen financial institutions and markets, promote access to credit, and improve financial access and education in service of America's long-term economic strength and stability.

Economic Policy reports on current and prospective economic developments and assists in the determination of appropriate economic policies.

The Office of General Counsel provides legal and policy advice to the Secretary and other senior Departmental officials.

International Affairs protects and supports U.S. economic prosperity and national security by working to help ensure the most favorable external environment for sustained jobs and economic growth in the United States.

Legislative Affairs develops strategies to implement legislative initiatives, communicates Treasury's positions to the Congress, and keeps the Department informed of Congressional objectives, concerns, activities, and interests.

The Office of Management and the Chief Financial Officer are responsible for managing the Department's financial resources and overseeing Treasury-wide programs, including human capital, information technology, acquisition, and diversity issues.

Public Affairs develops and implements communications strategy for the Department and advises officials within the Department and its bureaus how best to communicate issues and priorities of public interest.

Tax Policy develops and implements tax policies and programs, reviews regulations and rulings to administer the Internal Revenue Code, negotiates tax treaties, and provides economic and legal policy analysis for domestic and international tax policy decisions. Tax Policy also provides revenue estimates for the President's Budget.

Terrorism and Financial Intelligence marshals the Department's intelligence and enforcement functions with the twin aims of safeguarding the financial system against illicit use and combating rogue nations, terrorist facilitators, weapons of mass destruction (WMD) proliferators, money launderers, drug kingpins, and other national security threats. The office is responsible for the review and analysis of domestic economic issues and developments in the financial markets.

The Treasurer of the United States chairs the Advanced Counterfeit Deterrence Steering Committee and is a key liaison with the Federal Reserve. In addition, the Treasurer serves as a senior advisor to the Secretary in the areas of community development and public engagement.

Office of Minority & Women Inclusion Primary Duties

- Develop standards for diversity of the workforce and senior management
- Support recruitment/advancement efforts toward workforce diversity at all levels
- Develop standards for increased minority-owned and women-owned business contracts
- Develop standards for technical assistance to businesses
- Develop procedures for contracting that considers the diversity of the applicant
- Develop standards to determine whether contractors and subcontractors are making a good-faith effort to include minorities and women in their workforce
- Submit an annual report to Congress
- Conduct data analysis and produce internal reports
- Provide advice and advocacy

The Office of Minority and Women Inclusion was established on January 21, 2011 in accordance with the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) § 342 (P.L. 111-203). The express statutory authority of OMWI covers Treasury Departmental Offices. For Treasury Departmental Offices, OMWI is responsible for all matters relating to diversity in management, employment, and business activities, excluding the enforcement of statutes, regulations, or executive orders pertaining to civil rights. OMWI is required to develop standards for equal employment opportunity and the racial, ethnic, and gender diversity of the workforce. OMWI is also required to take steps to seek diversity, in a manner consistent with applicable law, in the workforce of Treasury Departmental Offices at all levels of the organization, but particularly within senior management. In addition to workforce diversity, OMWI is charged with seeking increased participation of minority-owned and women-owned businesses in the programs and contracts of the agency. OMWI is responsible for establishing procedures to determine if agency contractors and their subcontractors have made good faith efforts to include minorities and women in their workforce.²

2. It should be noted that Treasury Departmental Offices is not a financial regulatory agency. Thus, the requirement in the Dodd-Frank Act § 342 to assess the diversity policies and practices of entities regulated by the agency is not applicable to the Treasury Departmental Offices OMWI.

LEADERSHIP COMMITMENT & STRATEGIC PLAN

Early approaches to diversity in the American workforce centered on affirmative action, emphasizing racial and gender parity. The aim of this social justice approach was to promote the tolerance of differences and increasing the numeric representation of these and other social groups within the workforce. More recently, public and private organizations have shifted their approach to diversity away from the social justice approach toward the practice of strategic diversity management. Such leading diversity and inclusion practices were articulated in the 2005 U.S. Government Accountability Office (GAO) report on diversity management.³ These practices include: **(1)** commitment to diversity as demonstrated and communicated by an organization's top leadership, **(2)** the inclusion of diversity management in an organization's strategic plan, **(3)** diversity linked to performance, making the case that a more diverse and inclusive work environment could help improve productivity and individual and organizational performance, **(4)** measurement of the impact of various aspects of a diversity program, **(5)** management accountability for the progress of diversity initiatives, **(6)** succession planning, **(7)** recruitment, **(8)** employee involvement in an organization's diversity management, and **(9)** training for management and staff about diversity management. OMWI has made efforts to move beyond a social justice model and incorporate strategic diversity management practices in its planning and implementation under the Dodd-Frank Act § 342.

DEMONSTRATED COMMITMENT FROM TREASURY LEADERSHIP

Secretary of the Treasury, Jacob J. Lew, affirmed his commitment to the principles of diversity and inclusion by issuing a Diversity and Inclusion Call to Action Statement. The date of his issuance of this statement, August 28, 2013, held symbolic significance because it was the 50th anniversary of the historic March on Washington for Jobs and Freedom. Secretary Lew emphasized the importance of a work environment that fosters fairness, open mindedness, cooperation, supportiveness, and empowerment. He called on employees to participate in educational activities and introspective discussions to further advance a workplace culture of inclusion. He stressed the need to work to help address vestiges of unintentional bias and other obstacles to inclusion. He also called for support of the established socio-economic programs that improve business diversity. This statement was made separate from the mandatory annual equal employment opportunity (EEO) policy statements issued, thus making a clear distinction between strategic diversity management and EEO.

In support of Executive Order 13583, "Establishing a Coordinated Government-wide Initiative to Promote Diversity and Inclusion in the Federal Workforce" (E.O. 13583), Treasury established a Diversity Council comprised of senior staff from each Treasury bureau. The purpose of the Diversity Council is to consider policies, strategies, and initiatives to strengthen a coordinated Department-wide diversity and inclusion program and identify resources that can be leveraged to support such efforts.

³ GAO, Diversity Management: Expert-Identified Leading Practices and Agency Examples, GAO-05-90 (Washington, DC: January 14, 2004).

STRATEGIC PLAN

The values, principles, and practices of diversity and inclusion have been institutionalized into Treasury's strategic planning at multiple levels, including the Strategic Plan of the Office of the Secretary, the priorities of the Office of the Assistant Secretary for Management, the Department's Diversity and Inclusion Strategic Plan developed by the Treasury Office of Civil Rights and Diversity, as well as the Diversity and Inclusion Implementation Plans of Treasury Departmental Offices and each of Treasury's bureaus.

OMWI developed strategies and an action plan that encompass the requirements of both the Dodd-Frank Act § 342 and E.O. 13583. The aim is to strengthen Treasury's activities, policies, and processes to address lower-than-expected participation rates of minorities and women. Plans also include monitoring fair inclusion and strengthening outreach opportunities for small, minority-owned, and women-owned businesses. Key areas that were addressed by the Treasury Departmental Offices Diversity and Inclusion Implementation Plan were:

Business Diversity and Outreach: Ensure small business access and fair inclusion in the business opportunities of Departmental Offices, particularly with minority-owned and women-owned businesses (MWOB).

Business Inclusion and Utilization: Strengthen agency accountability to small business and MWOB contracting, with an important focus on small disadvantaged businesses, women-owned small businesses, Historically Underutilized Business Zones (HUBZone) businesses, and service disabled veteran-owned small businesses.

Workforce Diversity: Recruit from a diverse and well-qualified group of potential applicants to secure a high performing workforce drawn from all segments of society, including targeted sourcing at minority- and women-serving institutions, career fairs and expos, online and printed advertisement materials, and community outreach activities to fully attract minorities and women candidates to our applicant pool.

Workplace Inclusion: Further cultivate a culture of inclusion and strengthen collaboration efforts, flexibility, and fairness by enabling employees to contribute to their full potential.

Sustainability: Develop structures and strategies to equip leaders with the ability to manage diversity, be accountable, measure results, refine approaches on the basis of such data, and foster a culture of inclusion.

A photograph of a statue of Alexander Hamilton standing on a pedestal in front of a classical building with columns. The image is overlaid with a semi-transparent blue rectangle. The text is written in white, bold, sans-serif font across the blue area.

**the commitment
to minority
owned and
women owned
business
utilization
remained strong**

BUSINESS DIVERSITY & INCLUSION

MINORITY OWNED AND WOMEN OWNED BUSINESS UTILIZATION

Of the twenty agencies and federal reserve banks with an OMWI, Treasury Departmental Offices is one of the few required to adhere to the Federal Acquisition Regulation (FAR) for the procurement of goods and services. The FAR requires a full and open competitive process for federal procurements, with some exceptions for small business set asides under specific circumstances. Additionally, it is important to note that, due to legal restrictions pertaining to civil rights, no specific goals can be established for contracting with minority-owned businesses regardless of size or women-owned businesses with the exception of certain small business parameters.

Treasury-wide, the total (appropriated and non-appropriated) contract procurement was \$5.7 billion in FY 2015, which represents less than 1 percent of total federal government procurement. Within Treasury Departmental Offices, procurement for products and services was increased slightly from a total of \$248 million in FY 2014 to \$250 million in FY 2015 (with 1,958 contract actions). Despite the absence of mandated contracting goals, the commitment to minority owned and women owned business utilization within Treasury Departmental Offices remained strong in FY 2015, with 24 percent of contract dollars totaling \$60 million going to either minority-owned or women-owned businesses (MWOB). Additionally, \$31 million (12 percent) of contract obligated award dollars went to women-owned businesses and \$43 million (17 percent) went to minority-owned businesses (dollar amounts to minority women-owned businesses are included within each category). [Table 1]

Table 1

Departmental Offices FY 2015 Contract Obligations by Demographic Groups, Total Awards and Percentages of Awards*

Category	Total Awards in Dollars	Percentage of Awards
All Departmental Offices Awards	\$ 250,382,086.70	100.0%
Minority-owned or women-owned⁴	\$ 60,478,987.09	24.15%
Woman-owned	\$ 30,774,979.85	12.29%
Minority-owned⁵	\$42,662,573.38	17.04%
Asian American	\$22,022,879.82	8.80%
Black American	\$13,929,944.93	5.56%
Hispanic American	\$5,241,737.75	2.09%
American Indian	\$3,532,294.14	1.41%
Other minority ⁶	\$983,012.86	0.39%
Neither Minority-owned nor Woman-owned	\$189,903,099.70	75.85%

*Contracting dollar amounts are based on Federal Procurement Data System (FPDS-ng) data extracted October 30, 2015 for FY15

- 4 The total amount of awards to minority women-owned businesses was \$12,958,566.14. However, awards to businesses that are both minority- and women-owned are counted within Federal Procurement Data System (FPDS-ng) in all applicable individual minority- and women-owned individual categories. Therefore, to ensure there was no duplicate counting of overlapping categories of race/ethnicity and gender, the total dollars and percentages have been reduced to adjust for the \$12,958,566.14.
- 5 The sum of the award dollars to business within the minority-owned sub-categories (\$45,709,869.50) does not equal the total minority-owned award amount (\$42,662,573.38) because several awards under the minority categories were not identified in the reporting system as minority-owned businesses.
- 6 "Other minority" means those businesses designating "minority-owned" in the System for Award Management, but not designating Asian American, Black American, Hispanic American, or American Indian.

TRENDS IN MINORITY OWNED BUSINESS UTILIZATION

Utilization of minority owned businesses overall within Treasury Departmental Offices has decreased slightly. In FY 2015, a total of almost \$43 million or 17 percent of the total in contract obligations were awarded to minority-owned businesses. [Figure 1] Comparatively, in FY 2014, a total of \$45 million or 18 percent of total contract obligations was awarded to minority-owned businesses.

Contract obligations to minority-owned businesses by specific racial and ethnic designation of the ownership are delineated in Table 2.

Figure 1
Departmental Offices FY 2015
Overall Contract Obligations by Minority Status*

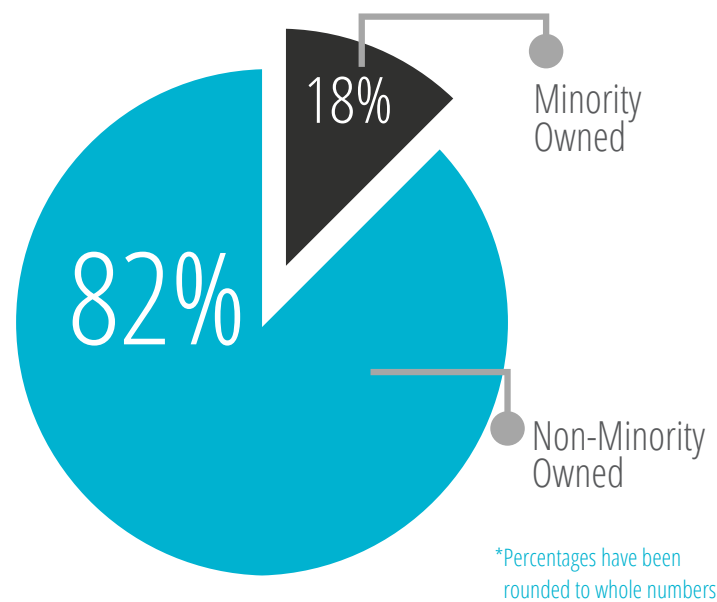


Table 2
Departmental Offices FY 2012-2015
Overall Contract Obligations by Specific Racial/Ethnic Minority Group*

	FY 2015	FY 2014	FY 2013	FY 2012
Minority Owned Businesses	\$43 million (17%)	\$45 million (18%)	\$45 million (18%)	\$42 million (19%)
Black-owned	\$14 million	\$16 million	\$15 million	\$23 million
Hispanic-owned	\$5 million	\$ 5 million	\$12 million	\$ 4 million
Asian-owned	\$22 million	\$18 million	\$14 million	\$ 9 million
American Indian-owned	\$ 4 million	\$ 4 million	\$ 3 million	\$ 2 million
Non-Minority Businesses	\$ 205 million (82%)	\$203 million (82%)	\$ 210 million (82%)	\$223 million (81%)

* Contracting dollar amounts are based on Federal Procurement Data System (FPDS-ng) data extracted October 30, 2015 for FY15; Dollars and percentages are rounded.

TRENDS IN WOMEN OWNED BUSINESS UTILIZATION

There has been a variable trend in the utilization of women-owned businesses within Treasury Departmental Offices. In FY 2015, a total of \$31 million or 12 percent of the total in contract obligations were awarded to women-owned businesses (including minority women). Comparatively, in FY 2014, a total of \$51 million or 21 percent of the total contract obligations was awarded to women-owned businesses; and in FY 2013, a total of \$40 million or 15 percent of the total contract obligations was awarded to women-owned businesses (including minority women) [Figure 2]

Contract obligations to women-owned businesses, including minority status, are delineated in Table 3.

Figure 2
Departmental Offices FY 2015
Overall Contract Obligations by Gender Categories*

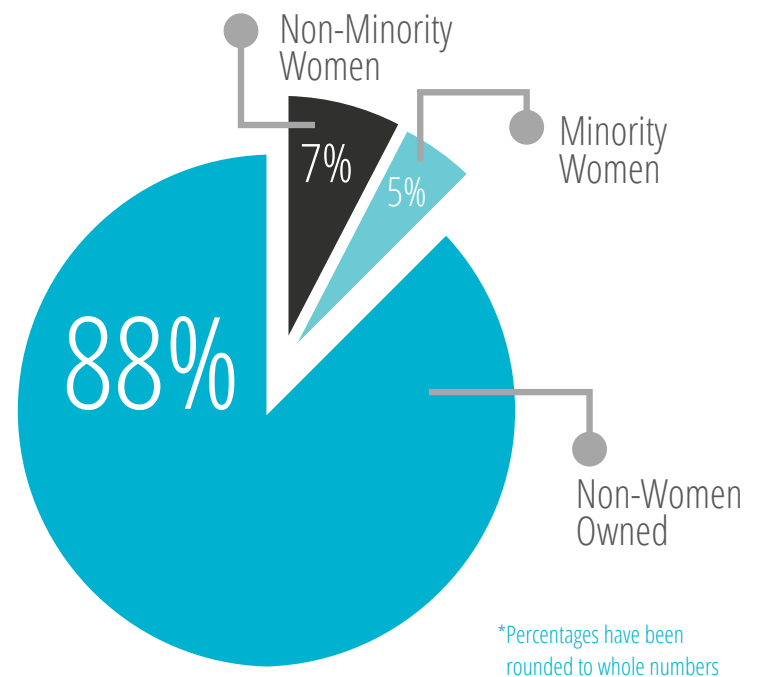


Table 3
Departmental Offices FY 2012-2015
Overall Contract Obligations by Gender-specific Business*

	FY 2015	FY 2014	FY 2013	FY 2012
Women-owned Businesses	\$31 million (12%)	\$51 million (21%)	\$40 million (15%)	\$31 million (12%)
minority women	\$13 million (5%)	\$11 million (5%)	\$15 million (5.5%)	\$15 million (6%)
non-minority women	\$18 million (7%)	\$40 million (16%)	\$25 million (9.5%)	\$16 million (6%)
Non-Women-owned Businesses	\$220 million (88%)	\$197 million (79%)	\$222 million (85%)	\$223 million (88%)

* Contracting dollar amounts are based on Federal Procurement Data System (FPDS-ng) data extracted October 30, 2016 for FY15; Dollars and percentages are rounded.

TRENDS IN MWOB SMALL BUSINESS UTILIZATION

The vast majority of minority-owned businesses and women-owned businesses (MWOB) in the United States are small businesses with 98 percent of all MWOB earning revenue under \$1 million, according to the most recently available census data. Consistent with the Dodd-Frank Act § 342 mandate to focus on minority-owned and women-owned businesses, there are statutory goals set by the Small Business Administration (SBA) for small disadvantaged businesses (which are largely minority-owned) and women-owned small businesses.

In FY 2015, Treasury almost met the 35% goal, reaching 34.62% and for the fourth consecutive year, Treasury Departmental Offices met or exceeded the overall small business contracting statutory goal, as well as goals for small disadvantaged businesses and women-owned small businesses. In FY 2015, contract obligations to small businesses by Treasury Departmental Offices were 54 percent, far exceeding the 35 percent statutory goal. Contract obligations to small disadvantaged businesses represented 13 percent, almost triple the 5 percent goal; similarly, contract obligations to women-owned small businesses represented 10 percent, double the 5 percent goal. [Figure 3]

Contract obligations to small minority-owned and women-owned businesses (MWOB), including minority status, are delineated in Table 4.

Figure 3
Departmental Offices FY 2015
Small MWOB Contract Obligations *

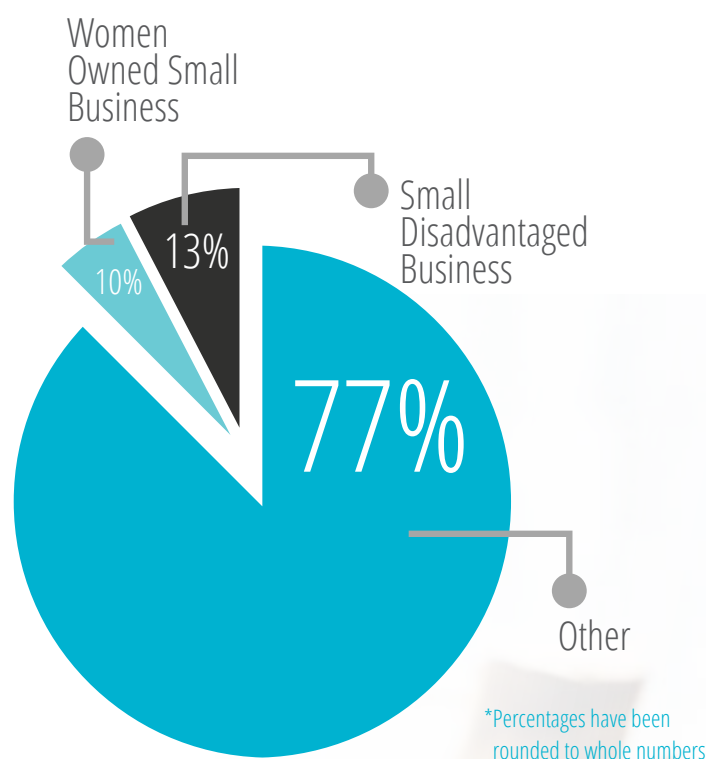


Table 4
Departmental Offices FY 2012-2015
Overall Contract Obligations to Small MWOB*

	FY 2015	FY 2014	FY 2013	FY 2012
Total Contract Obligations (regardless of size)	\$250 million	\$248 million	\$255 million	\$223 million
Overall Small Businesses Contract Obligations	\$135 million (54%)	\$125 million (51%)	\$119 million (47%)	\$95 million (42%)
Small Disadvantaged Businesses (SDB)	\$32 million (13%)	\$25 million (14%)	\$37 million (14%)	\$40 million (18%)
Women-owned Small Businesses	\$25 million (10%)	\$44 million (18%)	\$32 million (13%)	\$20 million (9%)

*SDB is used in this context as a proxy for minority-owned businesses; contracting includes overlap between categories. Contracting dollar amounts are based on Federal Procurement Data System (FPDS-ng) data extracted October 30, 2015 for FY15; Dollars and percentages are rounded.\$

MWOB PARTICIPATION IN SPECIFIC ACQUISITION CATEGORIES

Each year, lists are posted online of the top acquisition categories, by North American Industry Classification System (NAICS) codes, of contracts awarded by the Department of Treasury, Treasury Departmental Offices, and the individual Treasury bureaus. The aim is to encourage firms that provide products or services within those categories to market their firms' capabilities to Treasury bureaus. In FY 2015, 87 percent of all Treasury Departmental Offices contracts were in the area of services. 22 percent of Departmental Offices service contracts were awarded to minority-owned or women-owned businesses: 11 percent went to women-owned businesses and 16 percent went to minority-owned businesses. This resulted in \$48.7 million in contracts to minority-owned or women-owned businesses for services.

Within Treasury Departmental Offices, approximately 79 percent of contract awards are made in only seven NAICS code categories and minority or women-owned business utilization is highest among six of those categories. The highest utilization of minority or women-owned businesses is in "Other Computer Related Services" (NAICS 541519) in the amount of \$17 million and receiving 27 percent of the awards. [Table 5]



Table 5:

Awards by Demographic Groups in the DO's Top Seven NAICS Codes, Fiscal Year 2015

In Dollars and Percentage of Dollar Awards in Top Seven NAICS Codes*

Total Departmental Offices Annual Obligated Dollars \$250,382,037 and processed 1,958 actions	NAICS Codes and Descriptions					
	541519		541611		493110	
	Other Computer Related Services		Administrative Management and General Management Consulting Services		General Warehouse and Storage	
Number of businesses with DO awards in NAICS	317		154		6	
Category	\$ Awards	% Awarded	\$ Awards	% Awarded	\$ Awards	% Awarded
Total DO Awards in NAICS	67,890,122	27.11%	38,797,763	15.50%	31,474,836	12.57%
Minority- or women-owned ⁷	16,548,034	24.37%	6,665,395	17.18%	0	0.00%
· Women-owned	5,973,115	8.80%	2,840,339	7.32%	0	0.00%
· Minority-owned	12,220,299	18.00%	5,578,818	14.38%	0	0.00%
Asian American	11,162,270	16.44%	2,253,865	5.81%	0	0.00%
Black American	2,331,875	3.43%	973,312	0.025%	0	0.00%
Hispanic American	563,701	0.83%	1,833,811	4.73%	0	0.00%
Native American	293,187	0.43%	0	0.00%	0	0.00%
Other minority	402,057	0.59%	517,830	1.33%	0	0.00%
Neither minority- nor woman-owned	51,342,087	75.63%	32,132,368	82.82%	31,474,836	100.00%

*Contracting dollar amounts are based on Federal Procurement Data System (FPDS-ng) data extracted October 30, 2015 for FY15

⁷ Awards to businesses that are both minority- and women-owned are counted within Federal Procurement Data System (FPDS-ng) in all applicable individual minority- and women-owned individual categories. To ensure there was no duplicate counting of overlapping categories of race/ethnicity and gender, the total dollars and percentages have been reduced.

Table 5 continued

NAICS Codes and Descriptions							
541512		928120		541511		611420	
Computer Systems Design Services		International Affairs		Custom Computer Programming Services		Computer Training	
106		366		78		46	
\$ Awards	% Awarded	\$ Awards	% Awarded	\$ Awards	% Awarded	\$ Awards	% Awarded
24,707,172	9.87%	15,248,735	6.09%	10,147,391	4.05%	8,310,368	3.32%
11,131,355	45.05%	1,222,558	8.02%	1,563,322	15.41%	0	0.00%
6,803,975	27.54%	1,201,992	7.88%	593,839	5.85%	0	0.00%
5,323,184	21.55%	20,566	0.13%	1,513,438	14.91%	0	0.00%
5,353,172	21.67%	0	0.00%	799,156.45	7.88%	0	0.00%
-9,633	-0.04%	0	0.00%	298,966.26	2.95%	0	0.00%
-20,356	-0.08%	25,849	0.17%	415,315.50	4.09%	0	0.00%
0	0.00%	-5,284	-0.03%	0	0.00%	0	0.00%
0	0.00%	0	0.00%	0	0.00%	0	0.00%
13,575,817	54.95%	14,026,177	91.98%	8,584,069	84.59%	8,310,368	100.00%

The background image shows the front of the U.S. Treasury Department building, featuring a large portico with columns. An American flag flies on a tall pole in front of the building. A semi-transparent teal rectangle is overlaid on the left and center of the image, containing white text. The right side of the image is in grayscale.

**Treasury's
Mentor-Protégé
program is
designed to
motivate and
encourage large
firms to assist
small businesses**



Initiatives & Accomplishments

OUTREACH

Federal Acquisition Regulation (FAR) Contracting: Treasury has achieved its most effective engagement with minority-owned and women-owned businesses through substantial efforts to reach out to small businesses. Treasury employs multiple strategies and communication channels to reach candidate vendors, including:

- Posting requests for proposals on the Federal Business Opportunities website at www.fbo.gov
- Conducting multiple vendor outreach sessions throughout the year
- Providing resources on the Treasury Office of Small and Disadvantaged Business Utilization website at www.treasury.gov/osdbu and on the OMWI homepage of www.treasury.gov
- Extending the techniques and tools effectively used to engage the small business community to the broader industry audience, including minority-owned and women-owned firms
- Reviewing vendor engagement strategy as part of acquisition planning for high-impact acquisitions
- Conducting strategic reviews of targeted acquisitions to ensure that acquisition planning includes adequate and appropriate industry outreach and communications consistent with law, regulation, and Treasury policy

Throughout FY 2015, Treasury sponsored eight vendor outreach sessions that provided individual counseling to approximately 357 small business concerns, including one that provided counseling by Treasury prime contractors and Treasury program managers. Approximately 28 percent of the participating small businesses were minority-owned (99) and 17 percent were women-owned (62). Treasury also conducted and participated in small business match-making events sponsored by SBA, other federal agencies, local government, members of Congress, and external organizations that represent SMWOB. In FY 2015, Treasury staff served as panelists, speakers, facilitators, planning committee members, and exhibitors at the following 16 external events:

- SBA/American Express Open (ChallengHER), Norfolk VA
- GovConectx, Arlington VA
- Baltimore Washington Corridor Chamber of Commerce (BWCC)
- 23rd Annual Government Procurement Fair, Greenbelt MD
- Vets Small Business Engagement Conference, Atlanta GA
- Alliance Mid-Atlantic SB Fair, Wilmington DE
- 25th Annual Procurement Conference, Washington DC
- EPA's HUBZone Small Business Conference, San Francisco CA
- BA's Small Business Week, Washington DC
- 2015 GovConNet Procurement Conference, Matchmaking, and EXPO, Shady Grove, MD
- HHS Getting Back to Basics, Washington DC
- FRB Vendor Outreach Fair, Washington DC
- American Express Open, Washington DC
- Destination HUB – SBA, Detroit MI
- Women's Power Conference, Bethesda MD
- OMWI Interagency Technical Assistance Conference, Arlington VA

Mentor-Protégé Program: Treasury's Mentor-Protégé program is designed to motivate and encourage large firms to assist small businesses, including small disadvantaged businesses (which are largely minority-owned businesses) and women-owned small businesses. The program is also designed to improve the performance of Treasury contracts and subcontracts, foster the establishment of long-term business relationships between these entities and Treasury prime contractors, and increase the overall number of small businesses that receive Treasury contract and subcontract awards. In FY 2015, there were 2 Treasury mentor-protégé agreements in place. Among the protégés, one was a Service Disabled Veteran Owned Business (SDVOB) and one was a Hispanic-owned business.

Financial Agent Authority (Non-FAR): In addition to the procurement of goods and services through processes governed by the Federal Acquisition Regulation (FAR), Treasury also has financial agent authority (FAA). Unique to the Treasury and granted 150 years ago by the National Bank Acts of 1863 and 1864, the FAA allows Treasury to designate financial institutions to provide certain services on the government's behalf. These firms act on behalf of the government during the performance of their duties under an agent-principal relationship with Treasury. Financial agents also have the fiduciary obligation to protect the interests of the United States. In FY 2015, two smaller broker-dealers, including minority-owned and women-owned firms, were engaged by Treasury's broker in efforts to wind down remaining investments from the Troubled Asset Recovery Program (TARP).

ACCOUNTABILITY

Leadership Monitoring: OMWI develops detailed weekly reports of SMWOB contracting for the Deputy Secretary, Assistant Secretary for Management, Senior Procurement Executive, Bureau Chief Procurement Officers, and Bureau Small Business Specialists. Each bureau's small business and MWOB contracting performance also is reported to the Deputy Secretary in quarterly performance review sessions with Bureau Heads. The Senior Procurement Executive holds quarterly "ProcureSTAT" performance review sessions with individual Bureau Chief Procurement Officers to assess each bureau's small business contracting performance and to track MWOB contracting. Additionally, the Senior Procurement Executive utilizes monthly Treasury Acquisition Council meetings with Bureau Chief Procurement Officers to address the status of Treasury's overall small business goals and MWOB contracting.

Performance Plans: To supplement senior management's review and oversight of the achievement of small business goals and MWOB contracting, the Department inserted a small business performance element into individual performance plans to hold management and staff accountable. Such goals include categories that encompass small disadvantaged businesses, which are largely minority-owned and small women-owned businesses. Treasury included the performance element in plans for Bureau Chief Procurement Officers.

Recognition: OMWI conducted an annual awards recognition program for outstanding performance in small business and MWOB contracting, which has provided an additional achievement incentive to the acquisition community. Awards include recognition to bureaus that achieved the highest percentages of contract obligations with minority-owned and women-owned businesses. For FY 2015, the two leading bureaus expended 33 percent of their contracting dollars with minority-owned businesses and 32 percent with women-owned businesses.

GOOD FAITH EFFORT MANDATE

In accordance with the contractor workforce diversity mandate in the Dodd-Frank Act § 342, the Treasury Departmental Offices OMWI, in collaboration with other OMWI agencies, developed proposed language that would be included in all Departmental Offices service contracts in excess of the Simplified Acquisition Threshold (\$150,000). The final rule was published in the Federal Register on March 20, 2014 and, subsequently, this provision has been included in all applicable contracts.

CHALLENGES

Continued budget reductions for discretionary spending have an impact on available contracting opportunities. In addition, strategic sourcing and shared services initiatives to increase efficiencies further reduce spending and may reduce the number of vendors receiving awards.

Furthermore, Treasury must be careful that all contracting is conducted in a manner consistent with the Equal Protection Clause of the Constitution, which effectively prohibits many forms of affirmative action, including the establishment of quotas based on race and gender. Therefore, OMWI must maintain a focus on strategic outreach to help ensure that minority-owned and women-owned businesses are aware of opportunities and track trends in outcomes.



WORKFORCE DIVERSITY & INCLUSION

WORKFORCE DEMOGRAPHY

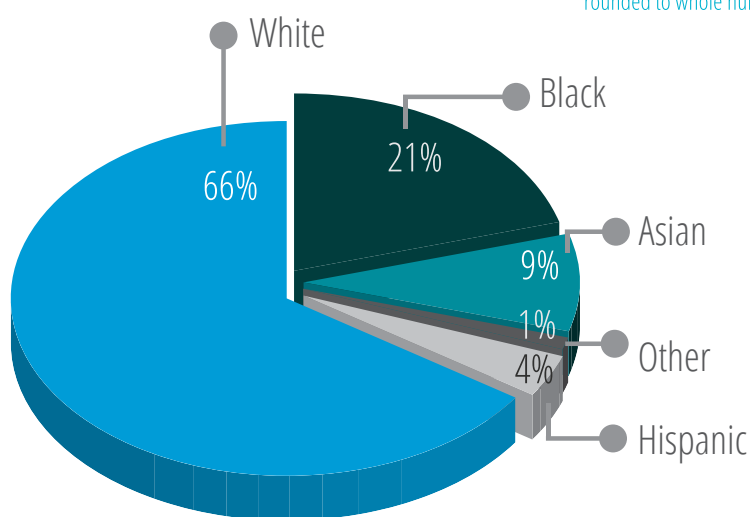
All Treasury Departmental Offices employees play important roles in the fulfillment of the overall Treasury mission. Each employee brings perspectives to his or her work that are influenced by his or her background, culture, and experience. Analyzing the racial, ethnic, and gender representational diversity of Treasury Departmental Offices, we examine workforce profiles, trends, benchmarks, hiring and attrition rates, pipeline programs, and demographic differentiation at upper and senior levels and in mission-critical occupations in FY 2015.⁸ However, just as importantly, we have examined employee perceptions of the Treasury Departmental Offices workplace environment relative to inclusion. This comprehensive examination informs the recommendations for the work of OMWI going forward.

RACIAL/ETHNIC AND GENDER PROFILES

The total Treasury-wide workforce across all bureaus and the Departmental Offices in FY 2015 was 99,251 permanent employees (103,821 in FY 2014). The Treasury Departmental Offices permanent workforce represents about 2 percent of the total Treasury-wide workforce. As of the close of FY 2015, Treasury Departmental Offices had 1,732 permanent employees, an increase of 40 (2 percent net change) from FY 2014. This net change includes 346 new hires (254 permanent and 92 temporary employees) in Treasury Departmental Offices. Moreover, permanent employees comprised approximately 85 percent of the total DO workforce. Temporary employees (including non-career employees) comprised approximately 15 percent of the total DO workforce.

Figure 4
FY 2015 Treasury Departmental Offices
Total Permanent Workforce by Race/Ethnicity

*Percentages have been rounded to whole numbers



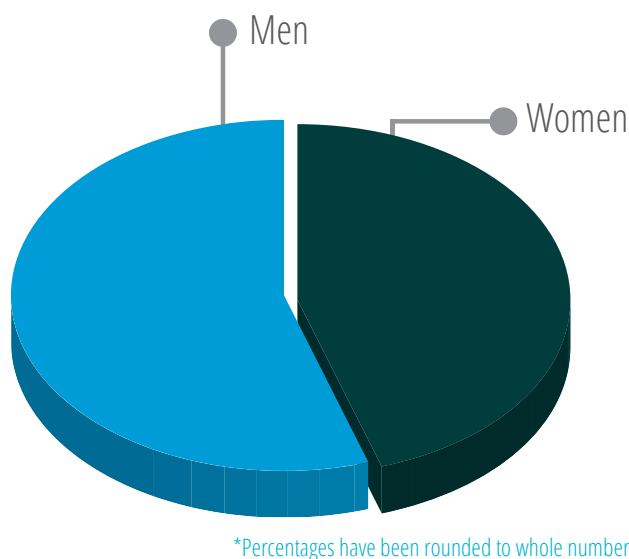
*Percentages have been rounded to whole numbers

8. Does not include the racial ethnic categories, Native Hawaiian or Other Pacific Islanders, American Indian or Alaskan Natives, or Two or More Races because the representation of each of these groups is zero to less than one percent of the total Departmental Offices permanent workforce.

Approximately one-third (34 percent) of Treasury Departmental Offices permanent employees across all grade levels are racial or ethnic minorities. The percentage of minorities increased slightly (1 percent) from the FY 2014 percentage of 33 percent. Hispanics increased by 1 percent in FY 2015 and represent 4 percent. Blacks remained unchanged at 21 percent in FY 2015 and FY 2014. Asians increased from 8 percent in FY 2014 to 9 percent in FY 2015. [Figure 4]

The percentages of employees by gender in Treasury Departmental Offices are 55 percent men and 45 percent women. The percentage of women in Departmental Offices decreased from 46 percent in FY 2014 to 45 percent in FY 2015. [Figure 5]

Figure 5
FY 2015 Treasury Departmental Offices
Total Permanent Workforce by Gender



BENCHMARK COMPARISONS

To assess the relative status of the diversity profile of Treasury Departmental Offices, the Treasury Departmental Offices workforce was compared with the federal government-wide workforce (FWF), Treasury-wide workforce, Civilian Labor Force (CLF), and the Relevant Civilian Labor Force (RCLF) by race/ethnicity and gender participation. Table 6 depicts the comparison of the Treasury Departmental Offices total permanent workforce for FY 2015 with the demography of these benchmarks.

Table 6
Permanent FY 2015 Treasury Departmental Offices Workforce Demography
Compared to Federal Government, Treasury-wide, Civilian Labor Force Demography,
and the Relevant Civilian Labor Force Demography*

Demographic Groups	Treasury Departmental Offices	Federal Government Workforce**	Treasury-wide Workforce	Civilian Labor Force (CLF)	Relevant Civilian Labor Force (RCLF)
Men	55%	57%	38%	52%	48%
Women	45%	43%	62%	48%	52%
Hispanic Men	2%	5%	4%	5%	3%
Hispanic Women	2%	3%	7%	5%	4%
White Men	40%	40%	25%	38%	39%
White Women	25%	25%	31%	34%	38%
Black Men	7%	8%	6%	6%	3%
Black Women	14%	10%	20%	7%	6%
Asian Men	5%	3%	3%	2%	3%
Asian Women	3%	3%	3%	2%	3%

* Percentages have been rounded to whole numbers

**Federal Workforce data is derived from OPM Federal Employment Reports, September 2006 - September 2015.

- **Gender:** In comparison to the permanent workforce participation rates of the FWF and the CLF, the representation of men (55 percent) in Treasury Departmental Offices workforce is almost equal to the FWF (56 percent) and CLF (52 percent), but greater than that of the Treasury-wide workforce (38 percent) and RCLF (48 percent). The representation of women (45 percent) in the Treasury Departmental Offices workforce is almost equal to the FWF (44 percent) and CLF (48 percent) but less than Treasury-wide workforce (62 percent), and RCLF (52 percent).
- **Men by Race/Ethnicity:** Among the men within Treasury Departmental Offices, the representation of Hispanic men (2 percent) is less than that of the FWF (5 percent), Treasury-wide workforce (4 percent), CLF (5 percent), and RCLF (3 percent). The representation of White men (41 percent) is greater than that of the FWF (39 percent), Treasury-wide workforce (25 percent), CLF (38 percent), and RCLF (39 percent). The representation of Black men (7 percent) is close to the Treasury-wide workforce (6 percent), CLF (6 percent), and FWF (8 percent), but greater than that of the RCLF (3 percent). The representation of Asian men (5 percent) is greater than that of the FWF (3 percent), Treasury-wide workforce (3 percent), CLF (2 percent), and RCLF (3 percent).
- **Women by Race/Ethnicity:** Among the women within Treasury Departmental Offices, the representation of Hispanic women (2 percent) is less than that of the FWF (3 percent), Treasury-wide workforce (7 percent), CLF (5 percent), and RCLF (4 percent). The representation of White women (26 percent) is less than that of the Treasury-wide workforce (31 percent), CLF (34 percent), and RCLF (38 percent), and equal to the FWF (26 percent). The representation of Black women (14 percent) is less than that of the Treasury-wide workforce (20 percent), but greater than that of the FWF (10 percent), CLF (7 percent), and RCLF (6 percent). The representation of Asian women (3 percent) is equal to that of the FWF (3 percent) and Treasury-wide workforce (3 percent), but greater than that of the CLF (2 percent) and RCLF (3 percent).

SENIOR MANAGEMENT

Consistent with the EEOC definition of senior management as Federal General Schedule (GS) 15 and above, the Treasury Departmental Offices focus has been oversight and monitoring of recruitment/ outreach, hiring, professional development, and attrition in GS-15 and SES positions. Treasury Departmental Offices also tracked and monitored the racial/ethnic and gender representation of the GS-13-14 grade level workforce, which can serve as the pipeline for senior management. 33 percent of the Treasury Departmental Offices permanent employees are at the senior management levels (i.e., GS-15 and Senior Executive Service (SES)). 48 percent are at the GS-13-14 levels which are upper management levels. Although there are no specific goals for demographic representation by race/ ethnicity and gender, comparison to the total Treasury Departmental Offices permanent workforce representation provide a general benchmark for the relative inclusion by group at upper and senior management levels. [Table 7]

Table 7

Permanent FY 2015 Treasury Departmental Offices (DO)
Workforce by Upper Management Grade Groupings
Compared to the Total Treasury DO Workforce*

Demographic Groups	Total Treasury DO Workforce	Treasury DO SES	Treasury DO GS-15	Treasury DO GS-13-14	Treasury DO GS-12-below
Men	55%	72%	61%	55%	39%
Women	45%	28%	39%	45%	61%
Hispanic	4%	4%	3%	4%	6%
White	66%	85%	85%	61%	46%
Black	21%	5%	6%	23%	42%
Asian	9%	7%	6%	11%	6%

*Percentages have been rounded to whole numbers

Permanent Positions: For FY 2015, the representation of minorities and women in permanent GS-13-14, GS-15, and SES level positions are described below compared to the representation within the total Treasury Departmental Offices permanent workforce. It should be noted that there are no civilian labor force data comparable to SES level positions or the combined pipeline GS-13-14 category. Within senior management positions, women comprise 39 percent of the permanent GS-15 level positions and 28 percent of the permanent SES positions. This represents an increase of 1 percent at the GS-15 level compared to FY 2014 (38 percent); and a decrease of 4 percent at the SES level compared to FY 2014. Minorities represent 15 percent of the permanent workforce at the GS-15 level and 15 percent of the permanent workforce at the SES level position. This representation of 16 percent at the GS-15 level is an increase of 1 percent compared to the representation in FY 2014 and an increase of 6 percent at the SES level compared to FY 2014.

- **Women:** The representation of women within permanent positions in Treasury Departmental Offices at the senior management levels (39 percent for GS-15 and 28 percent for SES) is lower than their overall representation in the total permanent DO workforce (45 percent). Their representation within the GS-13-14 level pipeline (45 percent) is equal to their overall representation in the total permanent DO workforce.
- **Hispanic:** The representation of Hispanics within permanent positions in Treasury Departmental Offices at the GS-13-14 pipeline level (4 percent) is equal to their overall representation in the total permanent DO workforce. However, the representation of Hispanics at the GS-15 level (3 percent) is slightly lower than their overall representation in the total permanent DO workforce (4 percent).
- **Black:** The representation of Blacks within permanent positions in Treasury Departmental Offices at the senior management levels (6 percent for GS-15 and 5 percent for SES) is higher than their overall representation in the total permanent DO workforce (21 percent). Their representation within the GS-13-14 pipeline level (23 percent) is slightly higher than their overall representation in the total permanent DO workforce (21 percent).
- **Asian:** The representation of Asians within permanent positions in Treasury Departmental Offices at the senior management levels (6 percent for GS-15 and 7 percent for SES) is slightly lower than their overall representation in the total permanent DO workforce (9 percent). Their representation within the GS-13-14 pipeline level (11 percent) is slightly higher than their overall representation in the total permanent DO workforce (9 percent).

Presidential Appointed and Senate Confirmed Positions: In FY 2015, there were seven women among the highest ranking Presidential appointed and Senate confirmed positions in Treasury Departmental Offices. The Treasury Deputy Secretary was a woman (the first woman to hold this position in Treasury's history) and there were six women Assistant Secretaries, which includes the Treasurer of the United States. Appointed positions are not included by the Equal Employment Opportunity Commission in calculations of the permanent workforce census.

ALL GRADE GROUPINGS

A comparison of the representation by gender and minority group status across all grade groups within the Treasury Departmental Offices Permanent Workforce shows the greatest concentration of women and minority employees are in GS-12 and lower positions. [Figures 6 and 7]

Figure 6
FY 2015 Treasury Departmental Offices
Permanent Workforce Grade Comparison by Gender

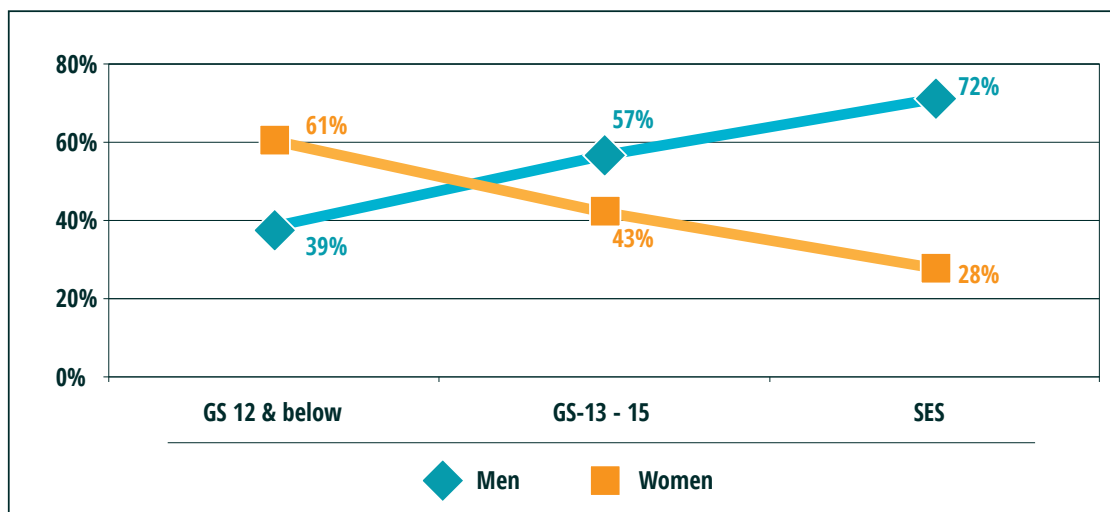
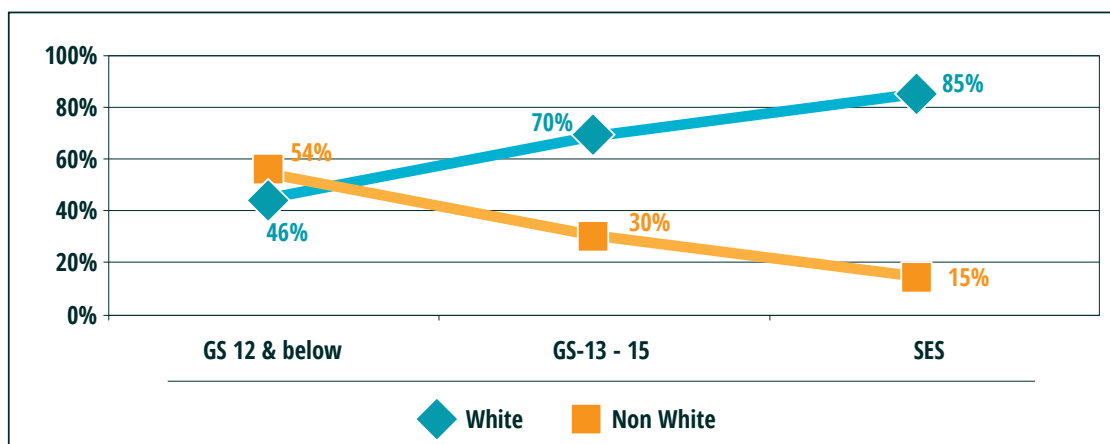


Figure 7
FY 2015 Treasury Departmental Offices
Permanent Workforce Grade Comparison by Minority Status



HIRING AND ATTRITION

Hiring: In this section, the hiring rates for the various groups and the CLF and RCLF were compared over a five year period (beginning with the FY 2011 baseline year through FY 2015). This analysis includes hiring rate trends of only the permanent workforce. [Table 8]

Table 8
New Hire Trends of Permanent Workforce
by Percentage of Employees Hired (FY 2011-FY 2015)

Fiscal year	Men	Women	H	W	B	A
2011	49%	51%	1%	88%	6%	3%
2012	60%	40%	2%	76%	10%	11%
2013	52%	48%	2%	75%	11%	10%
2014	59%	41%	6%	70%	11%	12%
2015	56%	44%	6%	63%	16%	15%

[Key: H-Hispanic, W-White, B-Black, A-Asian]

- **Gender:** The hiring rate for men increased from FY 2011 (49 percent) to FY 2015 (56 percent) and is higher than the CLF availability rate (52 percent). Currently, men represent 55 percent of the permanent workforce which is close to their CLF participation rate (52 percent) but above their RCLF participation rate (33 percent). The hiring rate for women decreased from FY 2011 (51 percent) to FY 2015 (44 percent) and is lower than their CLF availability rate (48 percent). Currently, women represent 45 percent of the permanent workforce, which is almost equal to their CLF participation rate (48 percent) but below their RCLF participation rate (67 percent).
- **Hispanic:** The hiring rate for Hispanics has increased from FY 2011 (1 percent) to FY 2015 (6 percent) and still remains significantly below their CLF availability rate (10 percent). Currently, Hispanics represent 4 percent of the permanent workforce, which is below their CLF participation rate (10 percent) and their RCLF participation rate (9 percent).
- **White:** The hiring rate for Whites has decreased from FY 2011 (88 percent) to FY 2015 (63 percent) and is below their CLF availability rate (72 percent). Currently, Whites represent 66 percent of the permanent workforce, which is below both their CLF participation rate (72 percent) and RCLF participation rate (74 percent).
- **Black:** The hiring rate for Blacks increased from FY 2011 (6 percent) to FY 2015 (16 percent) and remains above their CLF availability rate (11 percent). Currently, Blacks represent 21 percent of the permanent workforce, which is above their CLF participation rate (13 percent) and RCLF participation rate (11 percent).
- **Asian:** The hiring rate for Asians increased significantly from FY 2011 (3 percent) to FY 2015 (15 percent) and remains well above their CLF availability rate (4 percent). Currently, Asians represent 9 percent of the permanent workforce, which is above their CLF participation rate (4 percent) and RCLF participation rate (4 percent).

Attrition: In this section, comparisons are made between the attrition rates for the various groups (beginning with the FY 2011 baseline year through FY 2015). This trend analysis of the attrition rates includes only the permanent workforce. [Table 9]

Table 9

Attrition Rates by Race/Ethnicity and Gender (FY 2011-FY 2015)

Fiscal year	Men	Women	H	W	B	A
2011	49%	51%	3%	77%	14%	4%
2012	52%	48%	4%	67%	25%	6%
2013	53%	47%	3%	68%	22%	7%
2014	47%	53%	4%	69%	15%	11%
2015	49%	51%	3%	70%	16%	10%

[Key: H-Hispanic, W-White, B-Black, A-Asian]

- **Gender:** The attrition rate for men remained the same from FY 2011 (49 percent) to FY 2015 (49 percent) and for women from FY 2011 (51 percent) to FY 2015 (51 percent) which is lower than their FY 2014 attrition rate of 53 percent for women. Men separated at a rate of 49 percent and were hired at a rate of 56 percent in the permanent workforce. Women separated at a rate of 51 percent and were hired at a rate of 44 percent in the permanent workforce for FY 2015.
- **Hispanic:** The attrition rate for Hispanics has stayed the same from FY 2011 (3 percent) to FY 2015 (3 percent). Despite the low participation of Hispanics in the permanent workforce (4 percent), Hispanics separated at a rate of 3 percent and were hired at a rate of 6 percent for the permanent workforce.
- **White:** The attrition rate for Whites has decreased from FY 2011 (77 percent) to FY 2015 (70 percent). Whites separated at a rate of 70 percent, above their hiring rate of 63 percent in the permanent workforce.
- **Black:** The attrition rate for Blacks increased slightly from FY 2011 (14 percent) to FY 2015 (16 percent). Blacks separated at a rate of 16 percent, equal to their hiring rate in the permanent workforce at 16 percent.
- **Asian:** The attrition rate for Asians increased from FY 2011 (4 percent) to FY 2015 (10 percent). Asians separated at a rate of 10 percent and were hired at a rate of 15 percent.

Attrition by Type: In FY 2015, 204 employees separated. A review of DO voluntary separations by type reveals that resignations, retirements, and transfers are the top three reasons employees separate from the workforce. [Table 10]

Table 10

Attrition by Type and Demographic Group (FY 2015)

Demographic group	Resignation	Retirements	Transfers	Total
Men	43	14	42	99
Women	40	20	38	98
Hispanics	3	0	3	6
Whites	65	21	53	139
Blacks	6	12	13	31
Asians	8	1	10	19
Total Attrition	82	34	79	195
Percentages	42%	17%	41%	100%

*Percentages have been rounded to whole numbers

Of the attrition by resignations, 21 percent (17) were minorities and 79 percent (65) were White. Of the attrition by retirement, 38 percent were minorities (13) and 62 percent (21) were White. Of the attrition by transfers, 33 percent (26) were minorities and 67 percent (53) were White. Hispanics accounted for 3 percent (6) of the total attrition. Whites accounted for 71 percent (139) of the total attrition. Blacks accounted for 16 percent (31) of the total attrition. Asians accounted for 10 percent (19) of the total attrition.

Net Change in Minority Representation: This section shows the net change in minority representation due to the combination of hires and attrition rates in comparison to the past five fiscal years (from the FY 2011 baseline year). The past years resulted in a net attrition rate of -11 percent, -12 percent, -9 percent, -3 percent, and 7 percent, respectively. [Table 11]

Table 11
Net Change in Minority Representation (FY 2015)

Workforce Demographics	2011	2012	2013	2014	2015
Minority Rate of Hire	10%	23%	23%	28%	37%
Minority Rate of Attrition	21%	35%	32%	31%	30%
Net	-11%	-12%	-9%	-3%	7%

*Percentages have been rounded to whole numbers

Net Change in the Representation of Women: This section shows the net change in the representation among women employees due to the combination of hires and attrition rates, comparing the past five fiscal years (from the FY 2011 baseline year through FY 2015). This resulted in a net attrition rate of 0 percent, -8 percent, 1 percent, -9, and -7 percent, respectively. [Table 12]

Table 12
Net Change in the Representation of Women (FY 2015)

Workforce Demographics	2011	2012	2013	2014	2015
Minority Rate of Hire	51%	40%	48%	45%	44%
Minority Rate of Attrition	51%	48%	47%	54%	51%
Net	0%	-8%	1%	-9%	-7%

*Percentages have been rounded to whole numbers

MISSION CRITICAL OCCUPATIONS TRENDS BY RACE/ETHNICITY AND GENDER

Within Treasury Departmental Offices (DO), there are five occupational series that are regarded as “critical” to supporting the mission and vision of Treasury. They are comprised of the following: Economist, General Attorney, Financial Analyst, Information Technology Specialist, and Intelligence Analysts. In this section, comparisons are made between the participation rates of the various racial/ethnic gender representations within each of these occupations to their respective Occupational Civilian Labor Force (OCLF) data from FY 2011 through FY 2015.

- a. Economist:** Trends within the Economist (GS-0110) occupational series reveal a consistently lower than expected participation rate for Hispanics and Blacks when compared to their OCLF during a five year period from FY 2011 through FY 2015. (See Table 13)

Table 13

Economist Series Trends by Race/Ethnicity and Gender Percentages

Fiscal Year	HM	HW	WM	WW	BM	BW	AM	AW
FY 2011	0.00%	0.00%	56.87%	35.07%	1.42%	0.00%	2.84%	3.32%
FY 2012	0.49%	0.00%	56.59%	33.66%	1.46%	0.00%	3.41%	3.90%
FY 2013	0.48%	0.48%	56.04%	31.88%	0.97%	0.00%	5.80%	4.35%
FY 2014	1.06%	0.00%	57.98%	31.38%	0.53%	0.00%	5.32%	3.72%
FY 2015	2.02%	0.00%	56.06%	29.29%	1.01%	0.51%	7.58%	3.54%
OCLF	3.30%	1.80%	55.80%	25.20%	2.80%	2.70%	4.50%	3.10%

[Key: Blue color denotes that the percentage is below the RCLF; HM–Hispanic Men; HW–Hispanic Women; WM–White Men; WW–White Women; BM–Black Men; BW–Black Women; AM–Asian Men; AW–Asian Women]

b. General Attorney: In the General Attorney (GS-0905) occupational series, trends reveal that males continue to have a participation rate below their respective OCLF rates during a five year period from FY 2011 through FY 2015 with the exception of Asian males. Overall, all female groups and Asian males are showing participation rates at or above their respective OCLF rates. (See Table 14)

Table 14

General Attorney Series Trends by Race/Ethnicity and Gender Percentages

Fiscal Year	HM	HW	WM	WW	BM	BW	AM	AW
FY 2011	0.00%	1.87%	56.07%	31.78%	0.93%	3.74%	0.93%	4.67%
FY 2012	0.96%	2.88%	53.86%	32.69%	0.00%	2.88%	1.92%	3.85%
FY 2013	0.90%	2.70%	52.25%	32.43%	0.90%	2.70%	0.90%	5.41%
FY 2014	0.97%	1.94%	53.40%	32.04%	0.97%	2.91%	0.97%	5.83%
FY 2015	0.93%	1.85%	52.78%	32.41%	0.93%	2.78%	1.85%	5.56%
OCLF	2.50%	1.80%	59.70%	26.70%	2.10%	2.60%	1.80%	1.80%

[Key: Blue color denotes that the percentage is below the OCLF; HM–Hispanic Men; HW–Hispanic Women; WM–White Men; WW–White Women; BM–Black Men; BW–Black Women; AM–Asian Men; AW–Asian Women]

c. Information Technology (IT) Specialist: In the IT Specialist (GS-2210) occupational series, trends reveal that Hispanics and Whites have participated substantially below the OCLF rate across a five year period from FY 2011 through FY 2015, while Blacks and Asians have consistently participated well above the OCLF rate in that same time period. (See Table 15)

Table 15

Information Technology Specialist Series Trends by Race/Ethnicity and Gender Percentages

Fiscal Year	HM	HW	WM	WW	BM	BW	AM	AW
FY 2011	1.60%	0.00%	45.60%	14.40%	15.20%	9.60%	8.80%	2.40%
FY 2012	1.31%	0.00%	44.44%	13.73%	14.38%	8.50%	11.76%	3.92%
FY 2013	1.60%	0.00%	44.68%	14.36%	14.89%	7.45%	10.64%	4.79%
FY 2014	1.46%	0.49%	44.39%	12.20%	14.15%	7.80%	12.68%	4.88%
FY 2015	2.17%	0.87%	43.04%	11.74%	14.78%	6.96%	13.91%	4.78%
OCLF	5.40%	2.20%	52.20%	20.90%	6.60%	4.50%	5.10%	1.50%

[Key: Blue color denotes that the percentage is below the OCLF; HM–Hispanic Men; HW–Hispanic Women; WM–White Men; WW–White Women; BM–Black Men; BW–Black Women; AM–Asian Men; AW–Asian Women]

d. Financial Analyst: Trends within the Financial Analyst (GS-1160) occupational series across a five year period from FY 2011 through FY 2015 reveal a consistently lower than expected participation rate for Hispanics females, White males, and Asians males when compared to their OCLF participation rate. (See Table 16)

Table 16

Financial Analyst Series Trends by Race/Ethnicity and Gender Percentages

Fiscal Year	HM	HW	WM	WW	BM	BW	AM	AW
FY 2011	0.00%	0.00%	56.60%	18.87%	3.77%	7.55%	9.43%	1.89%
FY 2012	2.13%	0.00%	44.68%	23.40%	8.51%	10.64%	8.51%	2.13%
FY 2013	4.26%	0.00%	40.43%	27.66%	8.51%	10.64%	6.38%	2.13%
FY 2014	4.26%	0.00%	48.94%	25.53%	2.13%	10.64%	4.26%	4.26%
FY 2015	3.70%	0.00%	48.15%	25.93%	3.70%	9.26%	1.85%	5.56%
OCLF	3.10%	2.00%	54.00%	22.00%	3.50%	4.00%	6.10%	4.40%

[Key: Blue color denotes that the percentage is below the OCLF; HM–Hispanic Men; HW–Hispanic Women;

WM–White Men; WW–White Women; BM–Black Men; BW–Black Women; AM–Asian Men; AW–Asian Women]

e. Intelligence Analyst: Trends within the Intelligence Analyst (GS-0132) occupational series across a five year period from FY 2011 through FY 2015 reveal a consistently lower than expected participation rate for Hispanics, White females, and Blacks compared to their respective OCLF participation rates. However, in FY 2015, participation rates of Asian men and women were above their respective OCLF participation rates. (See Table 17)

Table 17

Intelligence Analyst Series Trends by Race/Ethnicity and Gender Percentages

Fiscal Year	HM	HW	WM	WW	BM	BW	AM	AW
FY 2011	0.88%	0.00%	61.06%	31.86%	0.88%	1.77%	1.77%	1.77%
FY 2012	1.83%	0.00%	62.39%	32.11%	0.00%	0.92%	1.83%	0.92%
FY 2013	2.86%	0.00%	62.86%	31.43%	0.00%	0.95%	0.95%	0.95%
FY 2014	2.68%	0.00%	61.61%	31.25%	0.00%	2.68%	0.89%	0.89%
FY 2015	0.93%	0.93%	63.89%	25.93%	0.00%	2.78%	2.78%	2.78%
OCLF	2.80%	3.40%	38.80%	40.70%	4.20%	4.60%	1.50%	2.30%

[Key: Blue color denotes that the percentage is below the OCLF; HM–Hispanic Men; HW–Hispanic Women;

WM–White Men; WW–White Women; BM–Black Men; BW–Black Women; AM–Asian Men; AW–Asian Women]

Internships: Internships and fellowship programs offer an excellent opportunity for Treasury Departmental Offices hiring officials to assess the qualifications and performance of promising students who may prove to be candidates for future positions. Treasury Departmental Offices has had a long-standing outreach effort to recruit diverse groups of students for internships by partnering with minority-serving organizations and academic institutions. During FY 2015, Treasury Departmental Offices placed 315 students. 26 percent (79) of the 302 volunteers placed within Treasury Departmental Offices were racial or ethnic minority students representing 96% of the total minority students. The Pathways program placed 13 interns representing 4 percent (3 of 82) of the minority students. 26 percent of the interns placed within Treasury Departmental Offices were minority students, of which 16% (49) Asian, 8% Black (26), and 2% Hispanic (7). ([Table 18])

Table 18

FY 2015 Treasury Departmental Offices Student Employment

Student programs	Asian	%	Black	%	Hispanic	%	White	%	Total
Pathways	2	15%	1	8%	0	0%	10	77%	13
Volunteer	47	16%	25	8%	7	2%	233	74%	302
TOTAL	49	16%	26	8%	7	2%	233	74%	315

NEW IQ INCLUSION INDEX

The Federal Employee Viewpoint Survey (FEVS) is a government-wide tool that measures employees' perceptions of whether, and to what extent, conditions characterizing successful organizations are present in their agencies. Survey results provide valuable insight into the challenges agency leaders face in ensuring the federal government has an effective civilian workforce and employees' perception about their workplace experience. The Office of Personnel Management (OPM) recently developed the Inclusive Environment Assessment, consisting of a subset of 20 questions derived from a rigorous statistical factor analysis. These 20 questions clustered around five factors, regarded as behavioral habits: fairness, open mindedness, cooperation, supportiveness, and empowerment. Scores can be derived for each of these factors to comprise the New IQ Index.

The most recent survey was administered by the OPM from April through June 2015. Of the 84,043 Treasury employees invited to take the survey, 51,700 responded. Treasury Departmental Offices had a response rate of 69 percent (1,008), compared to the government-wide response rate of 49.7 percent. Overall scores below 65 percent on the New IQ Index are regarded as areas of challenge. Treasury Departmental Offices has an overall Diversity and Inclusion Index score of 61.9 percent in FY 2015, a 1.7 percent increase from the score of 60.2 percent in FY2014. By comparison, the overall New IQ Index scores Treasury-wide and government-wide are 59.1 percent and 56.6, respectively.

For the specific factors associated with inclusion, Treasury Departmental Offices scores were:


- 49.9 percent - fairness
- 59.7 percent - open mindedness
- 60.1 percent – cooperation
- 79 percent - supportiveness
- 60.6 percent - empowerment

Treasury Departmental Offices' scores on all five factors are higher than those in FY 2014. [Table 19]

Table 19

FY 2015 Comparison to Government-wide, Treasury-wide and Departmental Offices Scores on the Inclusive Environment Index

Behaviors	Gov	Treasury	DO
Fairness	43.5	48.3	49.9
Open-mindedness	55.8	57.3	59.7
Cooperativeness	52.4	55.9	60.1
Supportiveness	74.7	79.0	79.0
Empowerment	56.8	54.9	60.6
Average	56.6	59.1	61.9

A photograph of a classical building with columns and a flag, overlaid with a teal color filter and white text. The text is arranged in five lines, centered on the image. The building has a prominent portico with columns and a flagpole with an American flag. The image is partially obscured by a teal overlay that covers most of the frame.

**provided
diversity and
inclusion
training within
a neuroscience
framework**



Initiatives & Accomplishments

ACCOUNTABILITY

SES Performance Plans: To establish accountability relative to workforce diversity and inclusion, the Leading People performance element on which all SES level Treasury employees are evaluated includes the following criteria:

Recruits, retains, and develops the talent needed to achieve a high quality, diverse workforce that reflects the nation, with the skills needed to accomplish organizational performance objectives while supporting workforce diversity, workplace inclusion, and equal employment policies and programs.

Throughout Treasury, the Leading People performance element, which is one of the four Executive Core Qualifications for senior executives in the federal government, is weighted twice as high as the other three elements rated, i.e., Leading Change, Business Acumen, and Building Coalitions. This higher value accounts for the diversity component of Leading People element in addition to other leadership characteristics.

All Employee Performance Plans: OMWI participated in the drafting of diversity and inclusion elements that eventually will be included in the performance plans of employees at all levels. Specific language has been developed for managers/supervisors, as well as employees who are not in a managerial or supervisory role.

Leadership Monitoring: Racial/ethnic and gender representation and employee perceptions about inclusion within the Treasury Departmental Offices are monitored by the Deputy Secretary and Assistant Secretary for Management in quarterly performance reviews of each of the program and policy offices. OMWI participates in each of the quarterly performance reviews to provide insight into the workforce diversity and workplace perception data for the respective offices.

QUANTITATIVE AND QUALITATIVE ANALYSIS

Diversity in the Hiring Process: Applicant flow analysis was reviewed to determine the percentage of minority and women candidates participating at various stages of the hiring process. Through this analysis, OMWI provides each major office with a visual representation showing the aggregated flow of all applicants, qualified applicants, best qualified applicants and selections, comparing men versus women and minority versus non-minority applicants. The purpose of this monitoring is to identify disparities at each hiring stage.

Representational Diversity: OMWI conducts quantitative “deep dive” analysis of the workforce demography for each of the major policy and program offices that includes:

1. Overall representation by race, gender, disability and veteran status
2. Representation in the major occupations
3. Demography of direct hires
4. Demography of applicants
5. Perceptions of the workplace environment
6. Exit surveys and the reasons for leaving
7. Performance ratings by race and gender

In follow-up to briefings with the offices on these analyses, OMWI works with each of the program and policy offices to review any disparities in representation and areas of concern pertaining to workplace culture to determine the potential sources of problem areas and strategies to address them.

Inclusion Index: The Office of Personnel Management developed the Inclusive Environment Assessment (New IQ) index tool for use by federal agencies to assess factors within the workplace that are closely associated an inclusive environment. Using the New IQ inclusion index tool, OMWI began providing individual policy and program offices within Treasury Department Offices with a qualitative measure of employee perceptions of their workplace environment. So, beyond the data representative of workforce diversity by race and gender, this measure, derived from a qualitative survey, provides the extent to which the workplace culture is perceived as inclusive.

OUTREACH

Social Media Employment Outreach: Through applicant flow analysis, it was determined that more targeted recruitment could be beneficial to increasing the numbers of highly qualified minority and women applicants for upper and senior level employment opportunities. Toward that end, OMWI initiated the use of social media to push job announcements to specific multicultural groups. In prior years, OMWI effectively used the LinkedIn online community to post selected positions to the most relevant groups.

In FY 2015, OMWI launched a contractual arrangement with the Professional Diversity Network (PDN), the nation’s leading relationship recruitment network for diverse talent with over five million registered users. With the Professional Diversity Network, OMWI has a more expansive social media reach to relevant network groups. All Treasury Departmental Offices position vacancy announcements that are posted on USAjobs.gov are sent to multiple networks of potential job seekers from diverse backgrounds. The objective of this service is to promote diversity of the applicant pools for Treasury Departmental Offices positions. The top views for Treasury Departmental Offices have come through the following PDN networks: Women’s Career Channel (women professionals), Black Career Network (African American professionals), Military 2 Career (veterans), Asian Career Channel (Asian professionals), iHispano (Hispanic professionals), ProAble (persons with disabilities), and OutPro (LGBTQ professionals).

Internship Outreach: Treasury Departmental Offices has had long standing partnerships with existing external internship programs that attract diverse and highly qualified students. OMWI established the Treasury Scholars Program in 2012, as a paid internship program in collaboration with minority student serving organizations, such as the National Association for Equal Opportunity in Higher Education, Hispanic Association of Colleges and Universities National Internship Program, the Washington Center, the International Leadership Foundation, and the Congressional Hispanic Caucus Institute, and others. However, because of the proliferation in recent years of several other organizations with similar capabilities, it became impossible to justify continued sole source contracting with specific organizations. In FY 2015, OMWI issued a competitive solicitation for such organizations to become part of a five-year Blanket Purchase Agreement for the Treasury Scholars Program. Three organizations responded to the solicitation to support the Treasury Scholars Program: INROADS, the Hispanic Association of Colleges and Universities National Internship Program, and the Washington Center.

INCLUSIVE DIVERSITY AWARENESS AND TRAINING

Commemorative Heritage Months: In FY 2015, OMWI continued to build upon the electronic media approach that was initiated in FY 2013 to celebrate national commemorative heritage months. OMWI developed six commemorative websites for the following heritage months: Black History Month, Women's History Month, Asian American and Pacific Islander Heritage Month, National Pride Month, Hispanic Heritage Month, and American Indian and Alaska Native Heritage Month. The development of web-based content has proven to be an efficient and economical way of engaging employees in recognition of national commemorative months. What was once an on-site program that attracted relatively few participants per event now attracts thousands of employee visitors across the six online programs.

Multi-tiered Diversity and Inclusion Training: In FY 2015, OMWI conducted the second phase of a three-year multi-tiered training program on diversity and inclusion, which addresses the issue of unconscious bias. The multi-tiered approach has aimed to reach specific audiences of senior executives, managers and supervisors, as well as employees at large. OMWI conducted Master Classes for managers and supervisors, entitled Social Re-engineering the Workplace, that provided diversity and inclusion within the context of a cognitive neuroscience framework. Training for managers and supervisors have been day-long program, with a focus on increasing understanding of the neuroscience behind personal bias, introspection regarding such biases, and strategies to prevent biases from posing barriers in employment decisions. In FY 2015, four training sessions (one each quarter) were conducted by Dr. Steve Robbins, with approximately 175 employees participating.

An additional Master Class was conducted exclusively for senior executives. This training session was presented by Dr. Scott E. Page, a managerial economist best known for his research on diversity, complexity, and computational models of social life. The particular session was specifically designed to appeal to the academically-oriented backgrounds of many of career and presidentially appointed senior executives within Treasury Departmental Offices. In that session, Dr. Page connected two disparate approaches to diversity, i.e., social science and functional value. He showed that differences in who we are affect how we see the world. He also demonstrated that differences in how people see the world improve our collective ability to perform cognitive tasks and can improve the robustness, innovativeness, and performance of a team. Additionally, OMWI provided support to the Treasury Executive Institute to add programming in the area of diversity and inclusion for its FY 2015 portfolio for senior executives and employees who aspire to be in the Senior Executive Service Corps (SES).

The intent of this multi-tiered diversity training is to create a growing critical mass of “champions” with common core knowledge embedded throughout the Treasury headquarters organizational structure. It is the expectation that these efforts will promote social transformation towards a more inclusive workplace environment. The multi-tiered training approach and meticulously selected training paradigms have proven to be well-suited for the culture of Treasury, as evidenced by the exceptionally high evaluation ratings and the large numbers of participants in the training sessions.

Daily Email Inclusion Tips: OMWI launched the use of daily video Inclusion Tips (via a contract with KnowledgeStart) that can be incorporated into an email signature block via a logo link. The logo links to a 30 second video that changes each day and is made accessible to recipients each time the user sends an email that contains their signature block. Numerous individuals throughout Treasury have added the Inclusion Tips logo as part of their automatic email signature.

ECONOMIC EMPOWERMENT

The primary responsibility of Treasury Departmental Offices is policy formulation pertaining to the domestic and international economy. There is a direct connection between those policies and the economic realities of everyday Americans. OMWI had partnered with Treasury’s Office of Consumer Education and the D.C. Public Schools (DCPS) to promote the use of Treasury’s financial literacy curriculum by high school teachers and participation DCPS students in Treasury’s National Financial Challenge, a financial literacy incentive program. However, Treasury has since suspended this program. In FY 2015, OMWI supported Treasury programs for the general public that extended beyond the scope of financial literacy. Specific programs that were launched or undertaken by Treasury Departmental Offices in FY 2015 included the following:

myRA: In FY 2015, Treasury launched myRA (my Retirement Account), a retirement savings account with a new type of Roth IRA investment designed to encourage saving for retirement. This product was created to assist workers in America who either do not have access to an employer-sponsored retirement plan or lack options to save for retirement.

Freeman’s Bank Commemoration: The Freedman’s Savings and Trust Bank was chartered by Congress and signed into law by President Lincoln in 1865 to help formerly enslaved Americans to become part of the economic mainstream. In collaboration with the Treasury Office of the Curator, OMWI developed a mini-documentary to promote awareness among the general public of the history of the Freedman’s Bank (formerly located on the site of the Treasury Annex Building) in commemoration of the sesquicentennial anniversary of its establishment

CHALLENGES

Treasury Departmental Offices is committed to adopting leading edge strategies to secure a high performing workforce drawn from a diverse pool of candidates. The three most pressing challenges to implementing the workforce diversity provisions of Dodd-Frank Act § 342 have been budgetary restraints, retention rates, and perceptions of the existing government-wide workplace culture.

First, Treasury Departmental Offices continues to operate within a tight budgetary environment, which has a direct impact on hiring. Therefore, although there will be a continued need for support from OMWI in formulating proactive strategies to ensure broad outreach to diverse candidate pools, there will be fewer available positions. OMWI must focus on strategic outreach, recruitment,

internal succession planning, and awareness of implicit biases in selection to help ensure that minorities and women are aware of opportunities at all levels and objectivity in the selection process.

Second, in prior years, the hiring rates for women and across minority groups have been negated by higher attrition rates in the Treasury Departmental Offices permanent workforce. In particular, the attrition rate of Black employees has consistently exceeded the rate of hires. However, in FY 2015, Blacks were hired at a rate (16 percent) equal to their separation rate (16 percent), resulting in a neutral net attrition. The overall rate of hiring of minorities exceeded minority attrition, resulting in a positive net attrition of 7 percent. Conversely, in FY 2015, the net attrition rate for women continued to be negative for a second consecutive year at -7 percent.

Third, it is evident from the government-wide scores derived from the OPM New IQ inclusion index tool that workplace inclusion is challenging across federal agencies. The Treasury Departmental Offices overall inclusion score (61.9 percent) has remained fairly consistent over the past three years and is slightly higher than the Treasury-wide (59.1 percent) and government-wide (56.6 percent) scores. Therefore, it appears that the workplace environment within Treasury Departmental Offices is a microcosm of the culture that exists across the entire federal government. Building a more inclusive workplace environment within Treasury Department Offices has been consistent with efforts to transform the workplace culture across the federal government. Continued strategies to address workplace inclusion are warranted.

CONCLUSIONS AND FISCAL YEAR 2016 PLANS

BUSINESS DIVERSITY AND INCLUSION

Despite reductions in overall Treasury-wide procurement budget in recent years and without mandated contracting goals, the commitment to minority-owned or women-owned business (MWOB) utilization within Treasury Departmental Offices remained strong. In FY 2015, nearly one-quarter (24.15 percent) of contract dollars totaling more than \$60 million went to either minority-owned or women-owned businesses (MWOB). This represented a decrease compared to the prior year, but is indicative of the overall reduction in Treasury's procurement budget overall. Although there are no goals for MWOB contracting, the congressionally mandated small business goals can serve as useful benchmarks to gauge performance. The Treasury Departmental Offices MWOB contracting performance is on par with the congressionally mandated small business goal established for Treasury, which was 35 percent in FY 2015. Similarly, contracting to minority-owned businesses, which was at 17.22 percent in FY 2015, is well above the congressionally mandated goal of 5 percent for contracting with small disadvantaged businesses (which are largely minority-owned). Further, contracting to women-owned businesses, which was at 12.26 percent in FY 2015, also is well above the congressionally mandated goal of 5 percent for contracting with small women-owned businesses. It is also important to note that MWOB contracting is not limited to less prominent business categories. There is strong MWOB representation among contracts in six of the Treasury Departmental Offices top seven industry codes.

OMWI will strive to support efforts that will not only maintain, but improve upon, this performance. Specific efforts that will be undertaken in FY 2016 include the following:

Accountability: OMWI will continue to monitor and develop regular reports on the utilization of

minority and women owned businesses by each of the Bureaus. Such reports will provide ongoing tracking of progress for use by the acquisition community and leadership, including the quarterly performance reviews conducted by the Deputy Secretary. Additionally, OMWI will continue to explore the use of new metrics and benchmarks to increase understanding of possible barriers and aspirational standards for business diversity and inclusion.

MWOB Utilization: For five consecutive years, Treasury Departmental Offices has met or exceeded aggressive goals in small business contracting. In FY 2016, Treasury will aim for a sixth consecutive year of goal attainment by continuing to employ the strategies that have proven successful for Treasury since FY 2011, including targeted outreach, enhanced leadership accountability, new policies, new tools and resources, and increased intra-agency communication.

OMWI will be further building the capacity within Treasury Departmental Offices to reach out to minority-owned businesses by leveraging the resources of the Minority Business Development Agency (MBDA) in the Department of Commerce. Through an interagency agreement, Treasury Departmental Offices and MBDA, market research of prospective businesses and vendor education about prospective opportunities will be enhanced.

Financial Agent Authority (Non-FAR): Treasury will maintain active engagement and relationship building with industry stakeholder groups that represent minority-owned and women-owned financial services firms and minority and women professionals. This open dialogue and engagement will support diverse participation in future program opportunities that may arise under the Treasury financial agent authority. Treasury will continue to ensure that requests for proposals (RFP) or other solicitation processes are fair and will encourage meaningful participation of minority-owned and woman-owned businesses either as financial agents or contractors to financial agents.

Outreach: OMWI is committed to conducting robust and effective outreach to small businesses, including minority-owned and women-owned small businesses. In addition to public posting on the Federal Business Opportunities web-site, OMWI will continue to conduct regular vendor outreach sessions and presentations at conferences and events conducted by industry organizations and federal agencies, such as:

- U.S. Women Chamber of Commerce (USWCC)
- U.S. Hispanic Chamber of Commerce (USHCC)
- U.S. Black Chambers (USBC)
- National Minority Supplier Development Council (NMSDC)
- Minority Business Development Agency (MBDA)
- The Women's Business Enterprise National Council (WBENC)
- National Association of Securities Professionals (NASP)
- Council of Urban Professionals (CUP)
- New America Alliance (NAA)

WORKFORCE DIVERSITY AND INCLUSION

Overall, the workforce demography within Treasury Departmental Offices is diverse, but can be described by the following characteristics:

- The representation of women and minority groups is at or above that in the civilian labor force, with the exception of Hispanic employees.
- Women and racial/ethnic minority groups are disproportionately represented in lower grade level positions.
- Gender and racial/ethnic disparities exist at the GS13-15 and SES positions and in specific mission critical occupations, i.e., economists, general attorneys, and intelligence analysts.
- The attrition rates among women and Hispanics exceed their hiring rates, with career advancement and limited developmental opportunities cited most often as the reasons for leaving.
- Across government, federal employee perceptions of inclusion within the workplace environment are not rated high, particularly on management behaviors of fairness, open-mindedness, cooperation, and empowerment. Perceptions among Treasury Departmental Offices employees regarding workplace inclusion are consistent with those of the federal government-wide workforce.

OMWI will continue to lead efforts to increase workplace diversity at the higher levels, i.e., GS-13-15 and SES, and in mission critical occupations. Programs will be continued to train a critical mass of employees who can bring about social transformation toward a greater culture of inclusion within the workplace. Specific programs and activities that will be undertaken in the area of workforce diversity and inclusion in FY 2016 include the following:

Accountability: OMWI will continue to monitor and develop regular reports on the racial/ethnic and gender demography of the workforce across Treasury Departmental Offices and within the major policy and program offices to identify areas of disparity. Such reports will provide ongoing tracking for use by the policy and program offices and leadership, including the quarterly performance reviews conducted by the Deputy Secretary. Additionally, OMWI will continue to explore the use of new metrics and benchmarks to increase understanding of possible barriers and establish aspirational standards for workplace diversity and inclusion.

In collaboration with the Treasury Human Capital Office and the Office of Civil Rights and Diversity, OMWI will support efforts to implement the specific performance elements for diversity and inclusion for supervisors, managers, and all other employees.

Workplace Culture: OMWI will continue to conduct multi-tiered training to promote a greater culture of inclusion within Treasury Departmental Offices for the senior leadership, managers and supervisors, and all other employees through various methods. The aim is to produce an overall cultural transformation within Treasury Departmental Offices and to increase the number of employees throughout the various policy and program offices who have common core knowledge regarding workplace inclusion.

Recruitment/Hiring/Outreach: OMWI will continue to use social media outreach efforts to increase the number of minority professionals who are made aware of all position announcements, particularly upper management, senior executive, and mission-critical occupation positions in Treasury Departmental Offices. The hiring rates of women and Black employees will continue to be tracked.

OMWI will utilize its newly established blanket purchase agreement contract vehicle to access recruitment services from organizations and institutions that serve minority students for internships to increase the diversity of interns within Treasury Departmental Offices.





