



Human Resources and Chief Human Capital Officer
TREASURY PEOPLE COUNT

FY 2011

Department of the Treasury's Annual Report



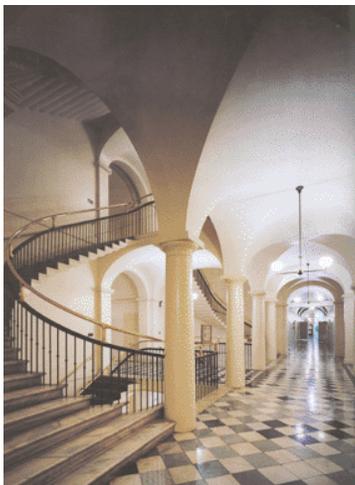
Office of Civil Rights and Diversity



**U.S. DEPARTMENT OF THE TREASURY
MANAGEMENT DIRECTIVE 715-01 FY 2011**

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INTRODUCTION/MISSION

This report covers the period of October 1, 2010 through September 30, 2011, and outlines the Department of the Treasury's equal employment opportunity (EEO) program activities. The report highlights Treasury's accomplishments during Fiscal Year (FY) 2011 in attaining and maintaining a model EEO Program as well as identifying areas of improvement.

The Department of the Treasury's Mission

The Department of the Treasury's mission is to serve the American people and strengthen national security by managing the U.S. Government's finances effectively, promoting economic growth and stability, and ensuring the safety, soundness, and security of U.S. and international financial systems. One way we accomplish this goal is by investing in our people – attracting, developing and retaining the best and brightest talent. The Department's workforce is one of the most critical factors affecting the achievement of the Department's goals.

As the steward of the public purse, the Department of the Treasury operates and maintains systems that are critical to the nation's financial infrastructure and is organized into two major components - the Departmental Offices and the [operating bureaus](#). The [Departmental Offices](#) are primarily responsible for the formulation of policy and management of the Department as a whole, while the operating bureaus, which account for 98% of our workforce, carry out the specific operations assigned to the Department. The basic functions of the Department of the Treasury include:

- Managing federal finances;
- Collecting taxes, duties and monies paid to and due to the U.S. and paying all bills of the U.S.;
- Currency and coinage;
- Managing Government accounts and the public debt;
- Supervising national banks and thrift institutions;
- Advising on domestic and international financial, monetary, economic, trade and tax policy;
- Safeguarding the financial system from the abuses of financial crime, including terrorist financing, money laundering, and other illicit activity; and
- Enforcing Federal finance and tax laws.

During FY 2011, the Department underwent several significant organizational structure changes resulting from the adoption of the Dodd-Frank Act. As a result, Departmental Offices (DO) and the Office of the Comptroller of the Currency (OCC) were each required to establish an Office of Minority and Women Inclusion (OMWI). The OMWI is charged with:

- overseeing all aspects of the DO and OCC operations “relating to diversity management, employment, and business activities,”
- establishing procedures to determine if a contractor, and their respective subcontractors, has made a good faith effort to include minorities and women in their workforce,
- submitting an annual report to Congress detailing compliance as well as noting specific challenges encountered while searching for and hiring qualified minority and female employees and,
- developing standards within DO and OCC for the following areas: equal employment opportunity and active diversity of the workforce, increasing participation of minority-and female-owned businesses, and assessment of the diversity policies of regulatory entities.

In addition, Departmental Offices played a critical role in assisting the Federal Reserve in the initial development of its newly established organization, the Consumer Finance Protection Bureau (CFPB). As part of that effort, DO employees assisted in the initial stand-up of the organization’s hiring processes and on-boarding of CFPB’s new employees. Until the CFPB appoints an EEO staff, the Treasury’s Office of Civil Rights and Diversity (OCD) will provide EEO counseling and complaint services to CFPB employees, as well as assistance around reasonable accommodation issues.

And finally, in July 2011, as a result of the Dodd-Frank Act, the Office of Thrift Supervision was eliminated and many of its functions and employees were transferred to the Office of the Comptroller of the Currency. A more detailed explanation on the impact of



these organizational structure changes will be outlined in the individual bureau Management Directive (MD) 715 reports filed by DO and OCC.

Department of the Treasury Strategic Plan

The theme for Treasury’s 2007-2012 Strategic Plan, “*E Pluribus Unum* – Out of Many, One,” continues to support the Department’s commitment to EEO. Just as the 13 colonies came together to form our Union the many Treasury bureaus operate in unity to serve the American people. Collectively, Treasury’s strategic objectives are clear, the priorities are distinct, and the outcomes are meaningful. Through the use of performance-based management, we establish the foundation for linking funding to performance, helping Treasury employees understand, accept, and meet their responsibilities for achieving organizational excellence.

Organizational Reporting Structure

For Management Directive (MD) 715 reporting purposes, Treasury’s second level reporting bureaus are:

- Bureau of Engraving and Printing (BEP)

- Bureau of Public Debt (BPD)
- Departmental Offices (DO)
- Financial Management Service (FMS)
- Internal Revenue Service (IRS)
- Internal Revenue Service Office of the Chief Counsel (IRS-CC)
- Office of the Comptroller of the Currency (OCC) and
- U.S. Mint

Bureaus employing fewer than 1,000 employees are required to provide their individual MD 715 reports to Treasury's Office of Civil Rights and Diversity (OCRD). These bureaus are Financial Crimes Enforcement Network (FinCEN), the Office of the Inspector General (OIG), Special Inspector General for Trouble Asset Relief Program (SIGTARP), Treasury Inspector General for Tax Administration (TIGTA), and Alcohol and Tobacco Tax and Trade Bureau (TTB).

Each bureau, regardless of its size, has its own distinct reporting structure for its EEO and Human Resource (HR) offices and programs. Therefore, each bureau sets its own policy and procedures regarding the hiring, recruitment and retention of employees within the broad framework of the Department's Human Capital Strategy. OCRD, part of the Departmental Offices' organizational structure, is primarily responsible for providing guidance and oversight to the bureau EEO offices.

The Office of Civil Rights and Diversity

OCRD provides leadership, direction and guidance in carrying out the Department of the Treasury's equal employment opportunity, diversity and

civil rights responsibilities. OCRD administers the Department-wide equal employment opportunity and diversity (EEO) program by providing policy, oversight and technical guidance for Treasury's bureaus, including the Departmental Offices, on affirmative employment, special emphasis program areas, diversity, and EEO complaint processing.

OCRD oversees Treasury's external civil rights efforts to ensure non-discrimination in programs operated or funded by the Department of the Treasury. The External Civil Rights program ensures individuals are not excluded from participation in, denied the benefits of, or otherwise subjected to prohibited discrimination under programs or activities conducted by the Department.

OCRD also oversees the Treasury's EEO complaint processing functions, including the Treasury Complaint Center, the discrimination complaint processing arm of Treasury. OCRD issues final agency actions on discrimination complaints filed by Treasury employees and applicants for employment.

Challenges

Treasury estimates that approximately 32,000 Treasury employees were eligible to retire at the end of FY 2011. We are also in an environment of budget cuts and hiring freezes. Therefore, to ensure we have a workforce to meet the mission, Treasury must work to attract diverse talent into its ranks and be seen as a great place to launch and build a career. These emerging professionals potentially

offer a diversity of skill sets and innovative ideas that could expand Treasury's overall expertise and better represent the population we serve.

We must also ensure we retain our top talent, put succession strategies in place and work to develop our employees and create an inclusive work environment. This is particularly difficult in the harsh budget and political climate employees currently face.

The following evaluation of Treasury's EEO programs against the six essential elements of an agency EEO program, as established by MD-715, reflects Treasury's commitment to establishing and maintaining a model EEO program.

Essential Element A: Demonstrated Commitment from Treasury Leadership

Secretary Geithner reaffirmed his commitment to EEO and diversity at the Department by timely reissuing his policy statement in support of equal employment opportunity and diversity and a workplace free of discriminatory harassment on June 23, 2011, and the policy statement was communicated via email to all Treasury employees. Each of Treasury's bureau heads has committed to EEO and diversity by either issuing or reissuing their policy statements in support of EEO and diversity. Each bureau also ensures that its own EEO Policy and Treasury's EEO Policy are disseminated to all new employees during orientation and are available on the intranet and public internet site if applicable.

Each bureau ensures all employees and all newly promoted managers and supervisors receive copies of both the bureau and Treasury EEO Policies as a reminder of their role and responsibility in providing a discrimination/harassment free work environment.

In addition, on September 21, 2010, Secretary Geithner held the first Department-wide Town Hall meeting. Although attendance was limited due to location, all employees were able to participate by submitting questions, ideas, and suggestions in advance. The event was and continues to be available to watch through Treasnet (it is closed captioned), the Department's internal website. A global communication was sent electronically to all Treasury

employees encouraging them to watch the event to learn more about the Secretary's views on the importance of work they do at Treasury.



Treasury's policies, orders and directives on EEO matters can be found on Treasury's public internet site located at http://www.treasury.gov/about/organizational-structure/offices/Mgt/Pages/eeo_policy.aspx.

Treasury and its bureaus also make written materials available to all employees and applicants, informing them of the variety of EEO programs and administrative and judicial remedial procedures available to them through our internet and intranet sites. OCRD's internet site is located at <http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Civil-Rights-and-Diversity.aspx>.

Each Treasury bureau maintains its own performance appraisal form for managers and supervisors and has incorporated a critical element to evaluate managers and supervisors on their commitment to EEO policies and principles. Additionally, Treasury has developed a standard evaluation form for

the Senior Executive Service that all bureaus are required to utilize. The SES performance plan also incorporates the required critical element that evaluates the SES's commitment to the Treasury's EEO policies and principles.

In addition to our managers' EEO performance elements, at the end of FY 2011, the Department and its bureaus began developing new standard performance elements for the Department's EEO and HR Officers. The Department anticipates implementing these new performance elements for the FY 2012 rating period. The new elements include the EEO and HR Officer's efforts to build and create a diverse workforce, increase the participation rate of persons with disabilities and create an inclusive work environment.

Treasury's Reasonable Accommodation policy and procedures are easily accessible to all employees and applicants via our internal and external websites. With the release of the new disability regulation by the Equal Employment Opportunity Commission (EEOC), the Department and each of its bureaus are in the process of updating their Reasonable Accommodation procedures. Once finalized the Department will provide those updated procedures to the EEOC for review and post the update procedures to its websites. At that time, the Treasury and its bureaus will ensure managers and employees are trained on any new procedures and changes to their roles and responsibilities.

During FY 2011, the Department developed a new web-based Reasonable Accommodation Training module that will be available to all Treasury employees

via the Treasury Learning Management System. OCRD anticipates the training will be available to our employees during the second quarter of FY 2012.

Essential Element B: Integration of EEO into the Strategic Mission

The Secretary has delegated authority over all EEO matters to the Assistant Secretary for Management and Chief Financial Officer (ASM/CFO) through Treasury Order 102-02 located at <http://www.treasury.gov/about/role-of-treasury/orders-directives/Pages/to102-02.aspx>. The ASM/CFO, who reports directly to the Secretary and Deputy Secretary, is kept abreast of EEO matters through meetings with the Deputy Assistant Secretary for Human Resources and Chief Human Capital Officer (DASHR/CHCO). The Associate CHCO (Civil Rights and Diversity), who provides day-to-day management of the Equal Employment Opportunity, Civil Rights and Diversity programs in Treasury, has direct access to the ASM to provide him with critical information regarding these programs. In addition, the Associate CHCO (Civil Rights and Diversity) has regular weekly meetings with the DASHR/CHCO on the status of EEO programs. This reporting structure continues to allow Treasury Headquarters EEO and Human Resource (HR) components to work in unison to develop corporate strategies in the hiring, recruitment and retention of Treasury employees.

In order to attain a model EEO program Treasury recognizes that it must provide the infrastructure necessary to achieve the ultimate goal of a discrimination/harassment free work environment, characterized by an atmosphere of inclusion and free and open competition for employment opportunities. To that end, the Department of the Treasury's FY 2008-

2013 Human Capital Strategic Plan outlines Treasury's four strategic goals.

1. Broaden and Diversify Talent Pool.
2. Develop and Retain Workforce.
3. Effectively Manage and Utilize Human Capital.
4. Develop Human Capital Practitioners as Strategic Business Partners.

These four goals continue not only to align with the five systems addressed by OPM's Human Capital Assessment and Accountability Framework (HCAAF), but align with the six essential elements established by EEOC's Management Directive (MD) 715. The Department's FY 2008-2013 Human Capital Strategic Plan is located on the Treasury's internet site located at <http://www.treasury.gov/about/organizationalstructure/offices/Mgt/Documents/Human-Capital-Strategic-Plan.pdf>

Treasury utilizes the Human Capital Strategic Plan to provide a vision for Treasury and its bureaus. The Department's Human Capital Strategic Plan identifies *Key Factors Affecting the Strategic Outlook of the Department of the Treasury* and specifically recognizes the Department's workforce as one of the most critical factors potentially affecting the achievement of the Department's goals. It is a workforce that is expected to be dramatically impacted by numerous and varied global, demographic and technological changes. As a result, the Department's Human Capital Strategic Plan ensures that the Department:

- Recognizes that meeting the human capital challenges is the responsibility of all program managers, supervisors, and leaders of the Department in partnership with the Department's human capital professionals.
- Acknowledges the shrinking talent pool from which to recruit, and is prepared for increasing pressure to retain current employees and strengthen recruiting capacity.
- Recognizes diversity in much broader concepts beyond age, ethnicity and gender to new dimensions, which includes not only sexual orientation but also education, family status and work experience.
- Prepares to manage organizations with a multi-sector workforce, consisting of a variety of types of Federal employees (e.g., full-time, part-time, temporary, permanent) and an increasing number of contractor personnel.
- Assists leaders in developing competencies in networking, excelling in global settings, and tolerating change and ambiguity.

The DASHR/CHCO continued to convene bi-monthly meetings of Treasury's Human Capital Advisory Council (HCAC), which consists of bureau EEO, Human Resources (HR), and Training officers. The HCAC develops the Human Capital (HC) Operating Plan, as well as the HC Strategic Plan, to ensure the EEO, HR, and training communities collaborate on our overall goals and objectives.

As part of the HCAC initiatives to attract and retain talent, in FY 2010, the Department developed and deployed an

Entrance on Duty survey tool. The new tool allows Treasury to monitor employee satisfaction with the hiring process, orientation, the on-boarding process and the first 90-days of employment. Employees are invited to take the survey via an automatically generated email. The survey consists of approximately 30 questions regarding the hiring process, orientation content, and the on-boarding process. The questions aim at measuring employees' perceptions of the integration of services, communication, and human resources support.

During FY 2011, 2052 new employees took the Entrance on Duty Survey, a participation rate of approximately 40%. Of those, 21% claimed veterans status and 8.6% declared they had a mental or physical disability. Over two-thirds of the respondents indicated satisfaction with the hiring process, the support before the first day, and with the orientation received. There is, however, room for improvement with communication, technology, and support. Therefore, the Department has determined that in FY 2012 it will place additional focus on the following areas:

- Improve communications to both new employees and applicants;
- Increase collaboration with IT and security to streamline processes; and
- Investigate key process issues related to survey findings.

The distribution of women in the grades is of particular interest to the Department and to continue with the momentum created from last year's Women in Finance Symposium, the Treasury Champion, Rosie Rios, hosted a quarterly "*Woman in Finance*

Leadership Series.” The events provided Treasury employees the opportunity to learn from leading women in finance, economics, and business.

Additionally, on July 12, 2011, The Department hosted its second “*Women in Leadership Symposium.*” This year’s Symposium focused on the role that institutional investors play in the economic recovery to create local jobs, bring liquidity to markets and spur long-term growth and innovation. Specifically highlighted was the role that women are playing in the institutional investment space, with women in senior positions at domestic public pension funds, corporate pension funds, savings plans, foundations, and endowments. These women are managing well over \$2 trillion worth of assets in the United States, and many of them are recent appointees who have not been widely publicized or recognized.

In the area of Hispanic recruitment and outreach, the Department continued to be an active planning partner and sponsor of the Annual Hispanic Career Advancement Summit. Twenty-eight Treasury employees attended this event and five Treasury Senior Executives (two from Internal Revenue Service (IRS), two from the Departmental Offices (DO), and one from the Financial Crimes Enforcement Network (FinCEN)) participated in one-on-one mentoring sessions for GS-14s and GS-15s conference attendees. In addition, DO provided financial support and served as a conference exhibitor.

Also, the Department continued its partnership with the Hispanic College Fund through our participation in the Hispanic Youth Institute (HYI) Program. In FY 2011, Treasury met with Hispanic College Fund representatives to discuss

how we could expand and strengthen our participation at HYI events. As a result, for the first time, Treasury had a presence at the Silicon Valley (CA) HYI through the Internal Revenue Service’s (IRS) participation in the career fair associated with this event.

Internship Program

To attract a diverse applicant pool, Treasury continues to utilize available hiring flexibilities, such as Student Intern Programs. Internship programs play a significant role in ensuring that a diverse pipeline of talent is available to fill mission critical occupations being vacated by an aging workforce.



Treasury continues to take the lead in establishing/maintaining partnerships with existing external internship programs that attract highly qualified, educated and diverse students. Internship programs such as the Hispanic Association of Colleges and Universities’ (HACU) Hispanic Serving Institutes National Internship Program (HSINIP), the International Leadership Foundation (ILF), INROADS, Operation Warfighter, the Washington Internship Program for Native Students (WINS), the Workforce Recruitment Program (WRP), The Washington Center, Thurgood Marshall College Fund (TMCF), and the National Association for Equal Opportunity in Education (NAFEO). continue to provide Treasury and its bureaus an avenue to identify and expand their pool of potential candidates to fill mission critical occupation vacancies and to grow new talent.

Hispanic Serving Institutions National Internship Program (HSINIP)

As a way to develop a pipeline of Hispanic employees, Treasury has maintained its partnership with HACU's Hispanic Serving Institutions National Internship Program (HSINIP). Viewed as a cornerstone of diversity recruitment, the HSINIP aims to increase employment opportunities for Hispanic students throughout the Federal government. During FY 2011, Treasury placed 41 (spring, summer and fall) HACU interns. The interns were sponsored by the BEP, DO, FMS, TIGTA, IRS, and FinCEN.

Washington Internship for Native Students (WINS)

The WINS program grew out of a small summer program founded at American University in 1994. WINS provides an opportunity for Native American and Alaska Native students to live in Washington, D.C., gain professional work experience through an internship, and earn academic credit. Participants intern at an agency for 36 hours each week and prepare a prescribed portfolio on their work experience and research for a total of six college credits. In FY 2011, the Department's bureaus sponsored five interns through the WINS program.

National Association for Equal Opportunity in Education (NAFEO)

NAFEO offers an efficient and effective process for recruiting the best and brightest candidates, with a focus on matching government agencies with well-prepared young professionals, from

undergraduate to graduate level candidates, attending Historically Black Colleges and Universities. In FY 2011, the Department's bureaus sponsored 16 interns through the NAFEO.

International Leadership Foundation (ILF)

Since FY 2005, Treasury has partnered with the International Leadership Foundation (ILF) to provide Asian American Students exposure to Public Service. The ILF is a non-profit organization which gives scholarships to Asian American college students and places them in public service internships to help prepare them to become tomorrow's leaders. During FY 2011, Treasury placed four ILF interns.

Workforce Recruitment Program (WRP)

WRP is a resource to connect public and private sector employers nationwide with highly motivated post-secondary students and recent graduates with disabilities who are eager to prove their abilities in the workforce.

Coordinated by the Department of Labor and the Department of Defense, the WRP sends trained recruiters to conduct personal interviews with interested students on college and university campuses annually; Treasury provided seven recruiters from the DO, IRS and the FinCEN. From these interviews, a data base was compiled containing information on more than 1,500 college students and recent graduates seeking temporary or permanent jobs. In FY 2011, Treasury hired six WRP students.

The Washington Center for Internships (TWC)

The Washington Center for Internships is an independent, nonprofit organization serving hundreds of colleges and universities in the United States by providing students challenging opportunities to work and learn in Washington, D.C. In FY 2011, the Department's bureaus hosted 19 TWC interns.

Thurgood Marshall College Fund (TMCF)

The Thurgood Marshall College Fund (TMCF) serves as a liaison in assisting students and agencies in matching skills and needs for a successful internship experience. In FY 2011, the Department's bureaus hosted two interns through the TMCF.

INROADS Program

INROADS assist agencies in accessing diverse talent through early identification and continuous leadership development for outstanding students. Through its unique leadership development process, INROADS assists agencies with anticipating business needs and identifying quality diverse employees who can contribute to meeting the agencies mission needs. In FY 2011, the Department's bureaus hosted 13 interns through INROADS.

Operation Warfighter

Operation Warfighter (OWF) is a temporary assignment/internship program, developed by the Department of Defense, for service members that are convalescing at military treatment

facilities at first in the National Capitol Region but increasingly throughout the United States. The program provides recuperating service members with meaningful activity outside of the hospital environment and offers a formal means of transition back to the military or civilian workforce. In FY 2011, the Department's bureaus hosted 10 interns through Operation Warfighter.

Other Intern Programs

Treasury's bureaus placed 87 other interns through internal internship programs. IRS-CC sponsored 33 interns through its Summer Legal Intern Program and OCC sponsored 51 interns through internal internship programs such as, National Academy of Finance (14), Scholarship for Service (2), Entry Level Examiner Program: District Financial Internship Program (5), Human Resources Internship Program (1), Economics Internship Program (8), Financial Management Internship Program (18) and its Information Technology Service Internship Program (3).

In addition, FMS sponsored 10 interns with disabilities through programs such as Maryland Department of Rehabilitation (DORS) (7), Alabama Department of Rehabilitation Services (2) and VA Non-Paid Work Experience Program (1).

Essential Element C: Management and Program Accountability

Treasury continues to provide guidance and assistance to its bureaus on the reporting requirements under MD 715. During FY 2011, the Department began preparing to use EEOC's FIRE system through the OMB MAX Portal to submit FY 2011 MD-715 reports. In June 2011, OCRD coordinated with EEOC to lead training for Headquarters OCRD and bureau staff on the use of the new system for MD-715 reports.

The Department also continued to enhance EEO access to relevant workforce data by providing quarterly workforce data tables and conducting quarterly data review sessions to enhance the accuracy of data contained in the MD-715 Report.

OCRD conducted one-on-one Basic MD-715 training workshops for new bureau EEO personnel responsible for the preparation of bureau MD-715 reports. The training provided basic guidance on MD-715 reporting requirements, explained how to review workforce data tables, how to identify triggers, and most importantly discussed getting beyond the data tables to take the next steps in conducting barrier analysis.

Additionally, OCRD and HR Connect provided updated training on the use of the Adhoc Query tool which was upgraded to version 3.0 in FY 2011. The Adhoc Query tool is used to conduct a detailed drill down analysis into the workforce data. The Department will continue to work with our HR Connect Program Office and bureaus to enhance the delivery and usability of Treasury's automated workforce data tables and analysis tools.

Treasury continued the use of its automated Exit Survey tool deployed on February 5, 2010. The Exit Survey results also may guide bureaus in identifying potential barriers in the areas of career advancement, professional development, and provision of reasonable accommodations.

During FY 2011 a total of 14,295 employees separated from Treasury; 9,552 were permanent/seasonal employees and 4,743 were temporary. Of these separations, 10,973 were voluntary; 8,737 permanent/seasonal and 2,236 temporary. All voluntarily separating employees were invited to take the Exit Survey, and we received a total of 3,359 (31%) responses. Of the 3,359 responses, 95% (3,180) were permanent/seasonal employees, of whom 7% (236) were persons with disabilities, and 5% (179) were temporary employees.

While Whites represent 59% of the Department's total permanent workforce, Whites represented 67% of the voluntarily separating permanent/seasonal employees and 71% of the respondents who took the Exit Survey. Males represent 37% of the Department's total permanent workforce, 40% of the voluntarily separating permanent/seasonal employees and 45% of the those who took the Exit Survey.

We noted that separating permanent/seasonal employees tended to be older; 73% of the permanent/seasonal employees reported being 50 years of age or older and 43% indicated their length of service was more than 25 years. This is not an unexpected result as retirement was most frequently cited by separating

permanent/seasonal employees for leaving (1889 out of 3180 or 59%). Only 23% or 731 identified they were leaving due to a promotion, transfer or accepting a position at another Federal/State Agency, non-profit or private sector organization and 7% or 255 identified resigning for other reasons not listed. Treasury had an increase in the number of transfers at the end of FY 2011 which is largely due to closure of OTS and the transfer of a significant portion of its workforce to OCC during July 2011.

Voluntarily separating permanent/seasonal employees most frequently cited "Other" (41%) as impacting their decision to leave. The "Other" responses reported by permanent/seasonal employees included OTS/OCC merger, medical reasons, work environment, and disability retirement. The second highest response from permanent/seasonal employees was Work/Life Balance (37%). Two additional reasons frequently cited by permanent employees were: Office Morale (24%) and Career Growth (19%).

A high proportion of departing employees identified their Treasury work experience as positive (85% of permanent/seasonal employees). However, a significant percentage (42%) of permanent/seasonal employees reported that they did not have the option to telecommute. Of the departing permanent/seasonal employees, 26% reported not having the availability of flexible, part-time or alternative work schedule, and 23% indicated that their workload and stress were not reasonable/manageable and the pay level was not fair in relation to their job responsibilities and performance.

Departing permanent/seasonal employees responded favorably overall to most questions related to their supervisors. However, consistent with their concerns about Career Growth, the least favorable responses from departing permanent/seasonal employees concerned having the opportunity to participate in decisions; recognition for their efforts, contributions and achievements; and receiving tasks and assignments geared toward improving performance.

Office Morale was cited by 24% of departing permanent/seasonal employees as a factor impacting their decision to leave Treasury and 34% of the respondents disagreed with the statement that morale in their office/branch/division was good. Of additional concern, 28% of the respondents felt their office/branch/division was not organized in a way that provided effective and efficient service and 23% felt that complaints, disputes or grievances were not resolved in a fair and timely manner.

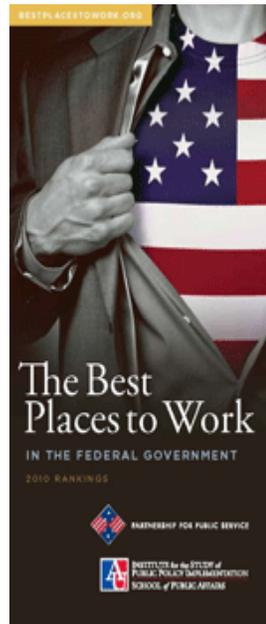
During the period of October 1, 2010 through September 30, 2011, there were 1041 PWD separated from the Department. Of those, 905 were voluntary; 528 were retirements, 321 were resignations, and 56 were transfers. 236 of those 905 voluntarily separating employees responded to the Department's survey, a 26% response rate.

Overall responses from persons with disabilities (PWD) mirrored the overall permanent/seasonal employee responses in that, 35% (83) had more than 25 years of service, 77% (181) were age 50 or older, and 42% (98)

were veterans. The most frequently cited reason for separation of PWD was retirement (137 or 58%), resignation (33 of 14%) and leaving due to promotion, transfer or accepting a position at another Federal/State Agency, non-profit or private sector organization (31 or 13%).

Additionally, 49% of the separating PWD cited “Other” as the reason for separating, followed by 34% who cited Work/Life Balance, and 25% who cited Office Morale. However, 78% also responded that their work experience was generally positive and 71% said they would return to work for Treasury; 75% stated they would recommend Treasury as a good place to work.

The results from OPM's FY 2011 Employee Viewpoint Survey revealed that despite the challenges Treasury employees have been faced with throughout FY 2011 such as pay freezes, program cuts and dissolution of one bureau, they still feel their work is important and satisfying. Overall, the results ranked the Department between 8 and 10 among the 37 agencies on the Human Capital Assessment and Accountability Framework (HCAAF) index in four categories: Job Satisfaction (8), Results-Oriented Performance Culture (9), Leadership and Knowledge Management (9) and Talent Management (10).



A more detailed look at employee overall responses indicated improved job satisfaction of Treasury employees when compared to job satisfaction of employees in other Cabinet level agencies. The Department ranked 3rd in Teamwork; 4th in Support for Diversity, Work/Life Balance, and Effective leadership by Supervisors; 6th in Leadership Fairness, Performance Based Rewards and Advancement, Strategic Management, and 8th in Training and Development.

Additionally, responses pertaining to employee satisfaction improved for all groups by Ethnicity Race Identifier (ERI), gender and age. Treasury was ranked 10th by White employees (71.3%, a 12% increase), 7th by Hispanics (73.5%, a 25% increase), 11th by Blacks (67.3%, a 2.8% increase), 13th by American Indian/Alaska Natives (59.5%, a 25.3% increase), 3rd by Asians (81.3%, a 12.4% increase), and 5th by Two or More Races (65.1%, a 13.9% increase). The Department was also ranked 4th by females (71.3%, an 11.7% increase) and 13th by males (69.1%, a 10.8% increase). By age, the Department was ranked 8th by respondents who were both over 40 years of age and under 40 years of age. The Department received a positive response rate from 69.9% of employees 40 and over (9.1% increase) and from 74.2% of employees under 40 (23.2% increase).

These improvements are largely due to the actions taken by Treasury's Office of Human Capital and Strategic Management (HCSM) in response to the FY 2010 Employee Viewpoint Survey results. In FY 2011, HCSM developed a Treasury wide action plan for the top three areas needing improvement:

- Leadership
- Work/Life Balance
- Performance Management

As a result of the Treasury-wide action plan, each bureau was required to establish a centralized point of contact for the survey results and develop bureau-specific action plans to address deficient scores and/or areas of weakness.

The results from the Exit Survey and Employee Viewpoint Survey have been shared with the bureaus along with the recommendation that the bureau-specific results be reviewed and the results incorporated into each bureau's FY 2011 MD-715 report, along with the details of any action plans developed to address noted areas of concern. OCRD and HR plan to continue to monitor the results of the Exit Survey at least semi-annually to ensure bureau action plans continue to result in the desired outcomes.

In order to strengthen Headquarters' oversight of the bureaus, OCRD continued the deployment of its EEO audit program established in FY 2008. During the 4th quarter of FY 2011, OCRD conducted a program review of two of its bureau EEO programs, IRS-CC and BEP.

The IRS-CC's EEO Program satisfied the Essential Elements of a Model EEO Program, as set forth in EEOC's Management Directive 715. However, there were areas where improvements were recommended. The recommendations included:

- ✓ Update IRS-CC's Reasonable Accommodation Policy and

Procedures; establish a system for monitoring the timeliness in processing reasonable accommodation requests and report that information in its FY 2012 MD 715;

- ✓ Involve HR and managers in the barrier analysis process;
- ✓ Inform managers about IRS-CC's disability hiring goals and the importance of their role in achieving these goals; and
- ✓ Ensure timely reporting to OCRD.

The BEP's EEO Program also satisfied most of the Essential Elements of a Model EEO Program, set forth in EEOC's Management Directive 715. Areas noted in its program where improvements were recommended included:

- ✓ Put in place a process for Western Currency Facility and Headquarter managers to inform the Office of Equal Opportunity and Diversity Management (OEODM) when a reasonable accommodation is requested, regardless if the matter is quickly resolved by the manager. Moreover, OEODM should establish a system for monitoring the timeliness in processing reasonable accommodation requests and report that information in its FY 2012 MD-715 report.
- ✓ Increase voluntarily separating employees' participation in the Exit Survey by implementing additional internal measures encouraging their participation.

- ✓ Update BEP's internal and external websites to be more organized and improve ease of accessing EEO related information.
- ✓ Ensure that employees who fail to submit a complete SF 181 are not simply defaulted into the system as non-Hispanic and White.

The results of the audit were shared with IRS-CC's senior leadership during the first quarter of FY 2012, and OCRD anticipates sharing the results of BEP's audit during the second quarter of FY 2012.

Essential Element D: Proactive Prevention of Unlawful Discrimination

SPECIAL EMPHASIS PROGRAMS

Special Emphasis Programs (SEPs) continue to provide a framework for incorporating EEO principles of fairness and equal opportunity into the fabric of the Department, across the employment spectrum. Established throughout the Department, the three federally mandated SEPs -- the Hispanic Employment Program, the Federal Women's Program, and the Persons with Disabilities Program -- reflect the Department's commitment to equal opportunity, dignity, and respect. At their discretion, individual bureaus have also established other SEPs such as the African-American, Asian American / Pacific Islander and the American Indian /Alaska Native employment programs.

Our SEPs also provide an opportunity to inform and train all employees through sponsorship of a variety of events and speakers designed to educate the workforce about diversity and understanding differences. The FY 2011 programs were:

- National Disability Employment Awareness program, *"Talent Has No Boundaries: Workforce Diversity INCLUDES People with Disabilities"*, was held on 10/14/10 with guest speaker Barry H. Hyde;
- American Indian/Alaska Native program, *"Pride in Our Heritage: Honor to Our Ancestors"*, was held on 11/16/10 with guest speaker Chief Kenneth Adams;
- Black History program, *"Civil War Sesquicentennial, 150th Anniversary of the State of the American Civil War"*, was held on 2/10/11 with guest speaker Dr. Manning Marable;
- Women's History was held on 3/10/11 with guest speaker Lisa A Liswood (author of the book, *The Loudest Duck*);
- Inter-Agency Days of Remembrance Program was held on 6/4/11 with guest speakers Sigmund Tobias, Bozena Urbanowicz, and Irene Hansenberg Butter;
- Asian American/Pacific Islander Heritage Program, *"Leadership, Diversity, Empowerment and Beyond"*, was held on 5/18/11 with guest speaker Dottie Li;
- Lesbian, Gay, Bisexual and Transgender Pride Program, *"One World, One Heart, One Pride"*, was held on 6/16/11 with guest speaker Amanda R. Simpson;
- Women's Equality Day Program, *"Enactment of the Lilly Ledbetter Fair Pay Act"*, was held on 8/10/11 with guest speaker Lilly Ledbetter; and
- Hispanic Heritage Program, *"Many Backgrounds, Many Stories, One American Spirit"*, was held on 9/27/11 with guest speaker Cristina Perez.

SEP Managers and Coordinators serve as resource persons or advisors on the unique concerns of the particular constituent group and support the Internship Programs and other partnerships discussed previously. To reinforce their roles and responsibilities, during September 2011, Treasury hosted a three day SEP Managers training course. The training provided all bureau EEO Officers and SEP Managers with guidance on their overall responsibilities to their program areas as well as how they can contribute to the barrier analysis process within their bureaus.

In February 2011, the Department held its first Affinity group meeting to gauge employee's interest in establishing a Blacks in Government Chapter. Based on an overwhelming response, a Departmental Offices employee, requested recognition of the Department of the Treasury Blacks in Government (Treasury BIG) chapter as a professional advocacy group. A memorandum of understanding will be established between the Department of the Treasury and the Treasury-BIG chapter.

In addition to the SEP events hosted by the Department, Treasury's Executive Institute (TEI) offered special programs for managers and employees:

February – Black History

- The Black History of the White House

March - Women's History Month

- Women in Leadership

- Iron Butterflies: Women Transforming Themselves and the World

November - Native American Heritage Month

- Wounded Knee: Party Politics and the Road to an American Massacre

TEI also hosted a varied of training sessions for Treasury employees and managers that were geared towards enhancing knowledge of diversity.

- Empowered Diversity for 21st Century Leaders
- When Jane Comes Marching Home: Portraits of Women Combat Veterans
- Generation X, Y, Boom Age, Agility, and Working in the Workplace
- Federally Employed Women- Practical Tips for SES Certification
- Engaging a Multi-Generational Workforce
- Women in the Senior Executive Series (SES): Why not you?

ALTERNATIVE DISPUTE RESOLUTION (ADR)

The Department has devoted significant resources to resolving conflict through dispute prevention and through Alternative Dispute Resolution (ADR) methods.

Conflict that results in formal disputes is costly and disruptive to the workforce.



The Department hosts the annual Treasury Dispute Prevention Week to promote conflict resolution and alternative dispute resolution practices. The events bring attention to the Department's ultimate goal of lessening workplace conflict that detracts from employee satisfaction and undermines organizational effectiveness. The Department's FY 2011 Dispute Prevention Week was held June 20 through 24. This year's training opened with two training sessions, "*The Case for Alternative Dispute Resolution (ADR) Politically, Legally, and Economically in the 21st Century Federal Workplace,*" which addressed the evolution of ADR in the Federal workplace and the effectiveness of ADR as a tool in promoting communication and lessening conflict, and "*How Learning to Understand Styles of Interaction Can Mitigate Conflict in the Workplace,*" where participants were invited to take a 20 minute assessment to determine their style of interaction and then participate in a discussion to understand how interaction styles can enhance collaboration in the workplace.

In FY 2011, 94% of EEO counseling contacts were offered ADR, and 49% of those offered ADR participated in ADR at the informal level.

ADR Offered to Complainants (Informal) FY 2011

Total Counseling	745
Total ADR Offered	701
Total Accepted	363
Offer Rate	94%
Acceptance Rate	49%

During FY 2011, 73% of complainants were offered ADR in the formal EEO complaint process, an increase from 53% offered in FY 2010. The acceptance rate by complainants who filed formal complaints was 15%.

ADR Offered to Complainants (Formal) FY 2011

Formal Complaints	414
Total ADR Offered	304
Total Accepted	64
Offer Rate	73%
Acceptance Rate	15%

Shared Neutrals Program

Through the Treasury Shared Neutrals (TSN) Program, Treasury maintains a nationwide cadre of certified and highly trained neutrals (also known as mediators). TSN mediators are employees from various organizations trained in the art of mediation who voluntarily serve on a collateral-duty basis. Their objective is to assist bureaus in resolving all types of workplace disputes at the earliest stages of the conflict and to provide a resolution through mediation, facilitation, and coaching.

In past years, the TSN Program had been administered by the Bureau Resolution Center within the BEP. However, in FY 2010, as part of the program's 10-year anniversary, the Department began sharing the program responsibilities by rotating leadership for the program every two years among all of Treasury's bureaus. OCC was given leadership for the program at the end of September 2009.

Throughout FY 2011, OCC leadership continued to serve as Administrator for the TSN program. The TSN program provided skilled mediators for 60 mediations/facilitations and had a 60% success rate. Additionally, the TSN program expanded the geography of TSN services outside the Washington, DC area to Colorado and West Virginia, and enhanced the services offered (conducting facilitations and non-EEO mediations).

On behalf of TSN, the OCC hosted the Treasury Dispute Prevention Week Program featuring Edith Primm, Executive Director of the Justice Center of Atlanta, Inc.

Essential Element E: Efficiency

Treasury has sufficient staffing, funding and authority to comply with the time frames established in EEOC regulations (29 CFR §1614) for processing EEO complaints of employment discrimination. Treasury promotes and utilizes an efficient and fair dispute resolution process and has a system in place for evaluating the impact and effectiveness of the Department's EEO complaint processing program. Treasury's complaint management system, I-Trak, continues to provide greater Department-wide tracking and case management capabilities for both the formal and informal complaint process.

Discrimination Complaints

In the area of discrimination complaints, OCRD is responsible for providing authoritative advice to bureau EEO staff, and the Treasury Complaint Center. OCRD also develops complaint policies and procedures and produces high quality final agency decisions. In addition, OCRD oversees the Department's appeal process, tracks all appeal decisions, and monitors compliance with decisions issued by the EEOC.

The Treasury Complaint Center, located in Dallas, TX, is responsible for the acceptance and the investigation of all individual complaints of discrimination, except for those cases which would present a conflict of interest.

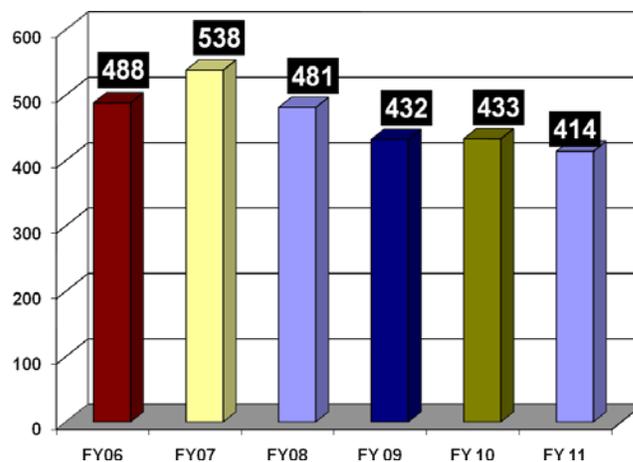
Discrimination complaints may be accepted on the basis of race, color, national origin, religion, sex, age, disability, protected genetic information, or reprisal.

The Department also has special procedures for handling complaints on the basis of sexual orientation or parental status. The latter two bases were added in response to Presidential Executive Orders.

Complaint Activity

Treasury timely submitted the EEOC 462 Report in October 2011. The 462 Report is an annual assessment of the agency's formal and informal complaints, and of avenues used to resolve issues prior to and during the complaint process.

During FY 2011, the number of EEO complaints filed by Treasury employees and applicants (414) decreased by 4.4% (19) from the number filed in FY 2010 (433).



* Effective FY 2007, "mixed case" complaint data is required to be include in complaint statistics. Mixed case complaint data is not included in complaint data prior to FY 2007.

At the close of FY 2010, Treasury had 570 complaints pending that were carried over to FY 2011. During FY 2011, 414 complaints were filed and Treasury closed 407 complaints.

Prior to FY 2010, protected genetic information complaints were processed under the Department's modified procedures. Since the passing of the Genetic Information Non-Discrimination Act (GINA) in November 2009, these complaints have been processed as EEO complaints in the statutory complaint process.

In FY 2011, the Department timely completed 96.2% of EEO counselings, an increase of 1.4% from 94.8% in FY 2010.

By the end of FY 2011, agency personnel completed 339 investigations. There were 220 investigations (64.9%) investigations completed within 180 days and 118 (34.8%) were completed between 181-360 days. Only one (0.003%) investigation was completed in 361 or more days. Because time frames are extended under certain situations, 95% of all investigations were timely completed, a significant improvement from 86% in FY 2010. This accomplishment is largely due to the Treasury Complaint Center's focused efforts to clear out backlogged cases in FY 2010.

Treasury issued 171 final agency decisions in cases where a hearing was not requested. Of these decisions, 126 were merit decisions and 45 were procedural dismissals. In FY 2011, one merit decision (0.6%) found discrimination, compared to four (2%) in FY 2010.

Overall, Treasury processed 126 merit decisions within an average of 48 processing days which is a slight increase compared to the 45.85 average processing days in FY 2010; however, it is still well below the 60 average processing days mandated by EEOC. Seventy-eight percent (99) of those merit decisions were timely issued within 60 days of receipt of the decision request, an improvement over the 76% (110) that were timely issued in FY 2010.

Treasury issued 116 final agency actions in cases with an administrative judge's decision (i.e., cases where a hearing was requested); four involved a finding of discrimination, two of which are being appealed.

At the end of FY 2011, Treasury had 558 complaints pending (including complaints that were remanded by the EEOC for further processing). Pending complaints can be at the acknowledgement, investigation, hearing or final agency decision stages.

At the end of FY 2011, 26% of pending complaints were at the investigation stage. Fifty-five percent were pending a hearing before an EEOC Administrative Judge. A total of 63 (11%) of the complaints remained pending in the final agency decision/action phase. In FY 2010 (the latest year for which Government-wide data is available), Treasury's age of inventory of pending complaints (excluding those pending a hearing) was the 3rd lowest of all the cabinet level agencies.

EEOC Average Days Case Pending for Cabinet Level Agencies (FY 2010)

Agency	# Pending (Not at Hearing)	Average Days
Commerce	278	103.3
HHS	222	156.9
Treasury	277	188.3
VA	1,189	190.5
State	79	191.3
Energy	49	205.9
DOT	280	222.3
Labor	53	229.8
HUD	116	258
Education	51	260.6
Interior	233	337.7
USDA	524	344.2
DOJ	1,016	378.2
DHS	1,550	485.9

The most frequently cited bases and issues alleged in Treasury's EEO complaints have remained constant for several years. The most frequent bases are reprisal, age and race (Black) and the most frequently cited issues are harassment non-sexual, promotion/non-selection and evaluation/appraisal. The first two most frequent basis mirror Government-wide trends. However, across the Federal Government, the third most frequent basis is Disability (and Race – Black is fourth). Government-wide, the most frequent issue is Harassment (Non-Sexual), but the second most frequent issue is Terms/Conditions of Employment, followed by Promotion/Non-Selection.

Top Three Bases and Issues of Formal Complaints Filed during FY 2011

Bases	Issues
Reprisal	Harassment (Non-Sexual)
Age	Promotion/Non-Selection
Race (Black)	Evaluation/Appraisal

While the Department consistently strives to improve the efficiency of our complaint processing, we also strive to ensure quality is not sacrificed for speed. To emphasize the quality of products delivered from the Department's complaint processing staff, we note that Treasury continues to have one of the lowest reversal rates for procedural decisions of the 14 cabinet level agencies. In FY 2010, Treasury had the third lowest reversal rate of the cabinet level agencies, with the EEOC reversing only 11.4% (4) of Treasury's procedural decisions (the decision reversal rates for all cabinet level agencies ranged from 7.5% to 35.1%).

EEOC Procedural Closure Reversal Rates for Cabinet Level Agencies (FY 2010)

Agency	# EEOC Procedural Closures	# EEOC Procedural Reversals	% of EEOC Procedural Reversals
USDA	40	3	7.5
Interior	27	3	11.1
Treasury	35	4	11.4
VA	200	27	13.5
Labor	7	1	14.3
State	7	1	14.3
Commerce	49	8	16.3
Education	5	1	20.0
HUD	5	1	20.0
DHS	111	23	20.7
DOT	61	17	27.9
DOT	61	17	27.9
HHS	31	9	29.0
DOT	61	17	27.9
DOJ	77	27	35.1

The percentage of Treasury employees who filed formal EEO Complaints has fallen from 0.47% of the workforce in FY 2005 (577 complainants) to 0.33% in FY 2011 (414 complainants). According to the EEOC, in FY 2010, Treasury had the second fewest complainants as a percentage of the workforce of all the cabinet level agencies.

EEO Complainants as a Percentage of the Workforce (FY 2010)*

Agency	Complainants as a Percentage of Total Workforce
Commerce	0.16
Treasury	0.30
Interior	0.36
Energy	0.37
USDA	0.38
State	0.46
HHS	0.51
DOT	0.53
DOJ	0.57
DHS	0.59
VA	0.68
Labor	0.77
HUD	0.86
Education	0.92

* Note that since a complainant may file more than one complaint, the number of complainants is typically fewer than the number of complaints.

Finally, during FY 2011, OCRD met major milestones in its project to develop and store all documents pertaining to the formal processing of EEO complaints electronically. OCRD's goal was to identify a product that will allow the electronic distribution of individual documents and completed case files in Adobe portable document format (PDF) to the EEOC's EFX website, to bureau/office EEO personnel and counsel as well as to the Department's Office of General Counsel; and, upon request, to complainants and their representatives.

After researching options and viewing demonstrations of products offered by various vendors and consulting with Enterprise Content Management (ECM) team members, OCRD identified a vendor with the capability of providing a method of creating and storing documents on the SharePoint platform and which will partner with a second company which will provide a product that is capable of creating searchable PDF documents that meet all the specifications required for uploading to the EFX website. A contract with the vendor was entered into at the close of the fiscal year.

Essential Element F: Responsiveness and Legal Compliance

Treasury is in compliance with the law, including EEOC regulations, directives, orders and other instructions. The Department has posted all required No Fear Act information, provided the required training, and consistently filed timely MD-715 and EEOC Form 462 reports as well as other reports required by EEOC and OPM.

External Civil Rights

OCRD ensures the Treasury bureaus are in compliance with the external civil rights laws applicable to their federally conducted and assisted programs. Treasury's nondiscrimination policy provides that individuals have equal opportunity to participate in, and receive benefits from, all programs or activities funded by the Department. To ensure compliance, OCRD develops policy, conducts oversight, and provides technical assistance and training to the Treasury bureaus. OCRD also processes complaints from individuals alleging discrimination in Treasury conducted or assisted programs and activities.

Programs offering federal financial assistance are defined as programs providing monetary or non-monetary assistance to a recipient to support a public purpose. Federal financial assistance includes, but is not limited to, grants and loans of federal funds, donations of federal property, training, details of federal personnel, and any agreement, arrangement or other contract which has as one of its purposes the provision of assistance. A federally conducted program or activity is, in

simple terms, anything a federal agency does.

Civil rights complaints alleging race, color or national origin discrimination in programs or activities receiving Treasury financial assistance may be filed pursuant to Title VI of the Civil Rights Act of 1964. Complaints alleging age discrimination in Treasury assisted programs may be filed pursuant to the Age Discrimination Act of 1975. Complaints alleging sex discrimination in Treasury assisted educational programs may be filed pursuant to Title IX of the Education Amendments of 1972. Complaints alleging disability discrimination in programs or activities receiving financial assistance from, or conducted by the Department, may be filed pursuant to Section 504 of the Rehabilitation Act of 1973. Complaints alleging denial of accessibility to electronic and information technology in use by the Department may be filed pursuant to Section 508 of the Rehabilitation Act of 1973, as amended.

In FY 2011, Treasury received 32 complaints of discrimination or inquiries pertaining to the external civil rights program, compared to 46 complaints and inquiries received during FY 2010. Of the external complaints filed in FY 2011, ten were determined to fall under the jurisdiction of the Department and accepted for investigation. Two complaints resulted in a finding of disability discrimination by the Internal Revenue Service and corrective actions were ordered.

During FY 2011, the OCRD External Civil Rights Program Manager focused on providing technical assistance to the IRS, as a continuation of the FY 2010 compliance review, with

the goal of improving access to persons with disabilities to IRS programs. The Program Manager also continued the work of ensuring that Treasury regulations and policies were in place. During FY 2011, OCRD conducted two internal compliance reviews examining the civil rights compliance of TIGTA and TTB. The resulting civil rights compliance review reports will provide recommendations to improve the existing compliance by both bureaus. Finally, the Treasury bureaus have also continued to work on establishing and updating their existing Language Assistance Plans.

Agency/Bureau State of the Agency MD-715 Briefings

During FY 2011, the Department conducted its FY 2010 State of the Agency Briefing with senior leadership on January 21, 2011. Immediately following the submission of Treasury's FY 2011 MD-715 report, OCRD will brief senior leadership on the Department's status in establishing and maintaining a model EEO Program during FY 2011.

The Department also continued to hold its one-on-one briefings with each of its bureaus in an effort to improve the mutual

understanding of bureau program deficiencies and workforce



triggers/barriers. As previously noted, each bureau, regardless of its size, has its own distinct reporting structure for its EEO and HR and sets its own policy and procedures regarding the hiring, recruitment and retention of employees. Therefore, the required barrier analysis must be completed at the bureau level. These briefings provide a forum for OCRD and bureau EEO staff to dialogue

about possible internal and external factors that may be contributing to triggers/barriers, recommend the direction of the bureau barrier analysis and to identify corporate strategies that may assist bureaus in determining if workplace barriers exist.

OCRD also provided each bureau an assessment of its FY 2010 MD-715 report, acknowledging accomplishments and noting areas for improvement. OCRD continues to require each bureau to select a minimum of one or two key areas and conduct or at least initiate the required barrier analyses to determine if barriers exist. If barriers were found, the bureaus were required to prepare a PART I and establish plans to eliminate the identified barriers during FY 2011. If no barrier existed, then the bureaus were required to either submit a PART I with the required analysis that proved no barriers exist or include the detailed information in its MD-715 Executive Summary.

Workforce Demographics

This MD-715 report contains Treasury's workforce demographics over the seven year period of FY 2005 to FY 2011¹. For the last several years, Treasury's bureaus have identified that a lack of focused recruitment and outreach has impacted the diversity of their workforce. However, currently within Treasury's overall permanent workforce, other than Whites, the two groups whose participation rates have been the most concern have been Hispanics and individuals with targeted disabilities.

Keeping in mind that for a cabinet level agency the size of Treasury, it is impractical to expect any demographic data to change by more than a percent in a single fiscal year. Indeed, such data typically varies only by tenths of a percent from one year to the next. However, as a result of the bureaus' established recruitment and outreach plans to increase diversity in those areas with lower than expected participation rates (see bureau MD-715 Reports for analysis and PART I's associated with bureau specific triggers/ barrier analysis), Treasury has made significant progress in increasing the participation rates for

Hispanics and maintaining its participation rate for individuals with targeted disabilities. In fact, the Department continues to maintain the highest participation rate of individuals with targeted disabilities among cabinet

level agencies. And of significant note, in FY 2011, the Department met its goal that 2% of all new permanent hires would be persons with targeted disabilities (PWTD) (2.11%) and came close to meeting the goal that 10% of all new permanent hires be persons with disabilities (PWD) (9.8%).

Participation Rates in the Permanent Workforce

As of the close of FY 2011, Treasury had 116,827 permanent Employees, a decrease of 4,073 (-3.37% net change) employees. This decrease is primarily due to reduced budgets which limited hiring opportunities in FY 2011 and downsizing within several of Treasury's bureaus.

When examining workforce demographics, comparisons are made to the 2000 Civilian Labor Force (CLF)² availability rates. A comparison of FY 2011 participation rates in Treasury's permanent workforce for men and women shows little change from FY 2005. Women continue to be drawn to employment opportunities at the Department and comprised 63.3% of the permanent workforce in FY 2011. This rate continues to exceed the CLF rate of

¹ During FY 2003, several former Treasury components were placed within the Department of Homeland Security and the Department of Justice. These Treasury components included the U.S. Secret Service, U.S. Customs Service, and Federal Law Enforcement Training Center, which were incorporated into the new Department of Homeland Security, as well as the Bureau of Alcohol, Tobacco and Firearms, which was transferred to the Department of Justice. These changes continued to impact the Department throughout FY 2004, thus data from FY 2005 is the beginning point used for any trend analysis of Treasury's workforce.

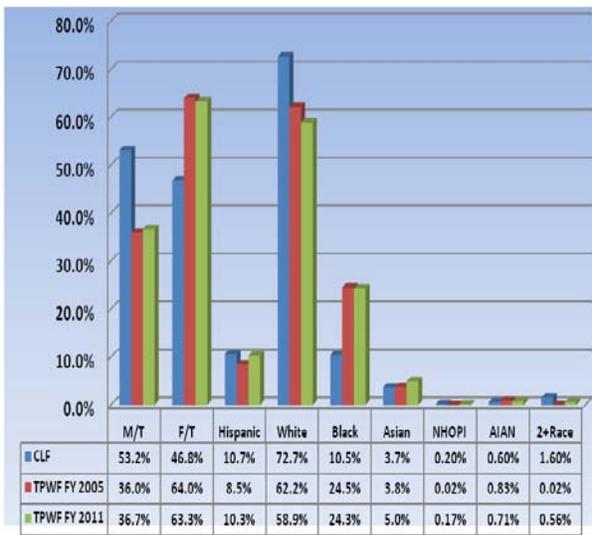
² Civilian Labor Force (CLF) data is derived from the decennial census reflecting persons 16 years of age or older who are employed or are seeking employment, excluding those in the Armed Services. Currently, CLF data is based on the 2000 Census and is not adjusted for citizenship.

48.8%, and is only a slight decrease of 0.7% from FY 2005 (64%).

Thus, the participation rate for men in Treasury’s permanent workforce only increased by 0.7%, from 36% in FY 2005 to 36.7% in FY 2011. This 36.7% participation rate for men remains below the CLF availability rate of 53.2%.

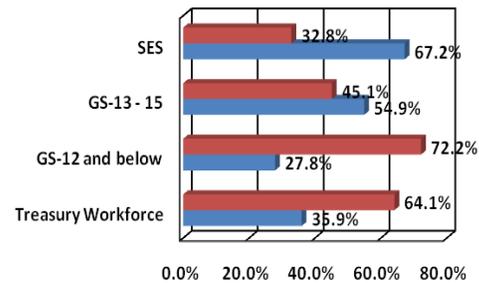
In FY 2005, Treasury’s permanent workforce was 62.2% White and 37.8% non-White. In FY 2011, Whites were 58.9% of the workforce and non-Whites increased to 41.1%. Thus, Treasury has noted a positive trend in the increased participation rate for non-Whites in the overall workforce. In fact, Blacks, Asians and American Indian/Alaska Natives are participating at rates greater than their CLF availability rates and Hispanics and Native Hawaiian or Other Pacific Islanders are participating at rates very close to their availability rates. Whites and Two or More Races are the only groups participating at rates significantly below their CLF availability rates.

**Permanent Workforce Demographics
CLF Comparison
FY 2005 and FY 2011**



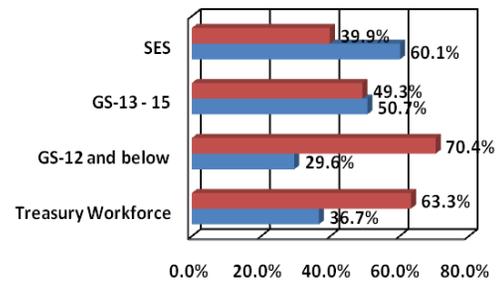
Another area of focus for the Department is the grade distribution of women and non-Whites in Treasury’s workforce, particularly in the higher grades. Over the last seven years, Treasury has seen an increased participation rate for women in the GS-13 through GS-15 Grades and in SES positions. At the GS-13 through GS-15 grade level, the participation rate for women increased by 4.2%, from 45.1% in FY 2005 to 49.3% in FY 2011. At the SES level, the participation rate for women increased by 6.5%, from 32.8% in FY 2005 to 39.3% in FY 2011.

FY 2005 Grade Distribution by Gender



	Treasury Workforce	GS-12 and below	GS-13 - 15	SES
Women	64.1%	72.2%	45.1%	32.8%
Men	35.9%	27.8%	54.9%	67.2%

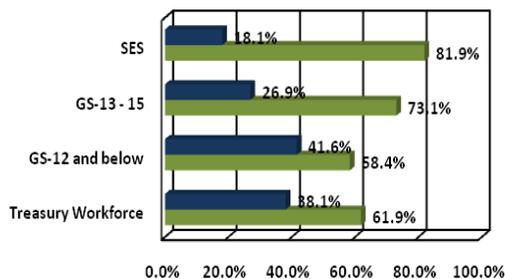
FY 2010 Grade Distribution by Gender



	Treasury Workforce	GS-12 and below	GS-13 - 15	SES
Women	63.3%	70.4%	49.3%	39.9%
Men	36.7%	29.6%	50.7%	60.1%

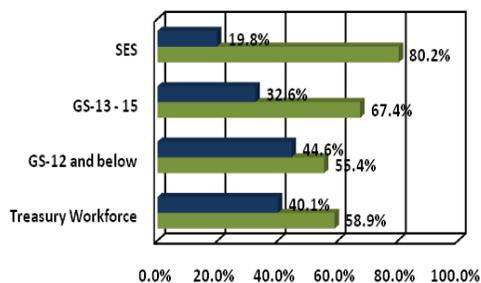
The Department has also seen an increased participation rate for non-Whites in the higher grades. At the GS-13 through GS-15 grade level, the participation rate for non-Whites increased by 5.7%, from 26.9% in FY 2005 to 32.6% in FY 2011. At the SES level, the participation rate increased by 1.7%, from 18.1% in FY 2005 to 19.8% in FY 2011.

FY 2005 Grade Distribution by White and Non-White



	Treasury Workforce	GS-12 and below	GS-13 - 15	SES
■ Non White	38.1%	41.6%	26.9%	18.1%
■ White	61.9%	58.4%	73.1%	81.9%

FY 2010 Grade Distribution by White and Non-White



	Treasury Workforce	GS-12 and below	GS-13 - 15	SES
■ Non White	40.1%	44.6%	32.6%	19.8%
■ White	58.9%	55.4%	67.4%	80.2%

HISPANICS AT TREASURY

The Office of Personnel Management issued its 10th *Annual Report to the President on Hispanic Employment in the Federal Government* in September 2011, which covers the period of July 1, 2009 to September 30, 2010. The Executive Summary noted that Treasury and 3 other agencies (the Department of Homeland Security, Veterans Affairs and Army) accounted for over 60% of all Hispanic permanent new hires in FY 2010. The Department had the second highest percentage of new permanent employees who were Hispanic (14.7%) and continued to be among the top five (5) agencies in the percentage of Hispanic employees (10%), as the fourth highest employer. Of all Professional Occupations, the Government-wide percentage of new hires who were Hispanic was 3.5%; the Professional Occupation having the highest percentage of new hires who were Hispanic was the Internal Revenue Agent (6.4%).

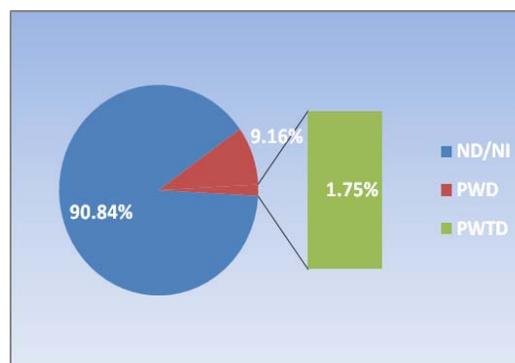
The Department’s participation rate of Hispanics (10.34%) is slightly below the civilian labor force (CLF) availability rate of 10.7%. However, there was a slight increase in the Department’s Hispanic representation rate from FY 2010 (10.3%) to FY 2011 (10.34%). Hispanics are represented in the Department’s workforce at a rate significantly above the Government-wide rate of 8%. However, the 2010 Census results are likely to become available later in 2012 and are expected to reflect a significantly higher CLF availability rate for Hispanics.

EMPLOYEES WITH TARGETED DISABILITIES

Treasury has maintained the highest participation rate of employees with targeted disabilities³ of all the cabinet-level agencies for at least the past seven fiscal years (FY 2004 – FY 2010)⁴. Also noteworthy, IRS, Treasury's largest bureau, was ranked number seven on the CAREERS & disabled Magazine's 19th Annual Top 20 Government Agencies list.

In FY 2011, each Treasury bureau set new 5-year numerical hiring goals to meet or exceed the Department's 10% goal for people with disabilities, including a 2% sub-goals for people with targeted disabilities. By the end of FY 2011, the Department achieved its goal in that 2.11% of all new permanent hires were PWTD and nearly met its goal with 9.8% of new permanent hires were PWD.

Although the Department's overall number of permanent employees with targeted disabilities decreased from 2,128 in FY 2010 to 2,049 in FY 2011, the total size of Treasury's permanent workforce also decreased from 120,900 to 116,827. As a result, at the end of FY 2011, the Department's overall participation rate of permanent employees with targeted disabilities decreased only slightly, from 1.76% in FY 2010 to 1.75% in FY 2011.



³ Disability data is gathered from the U.S. Office of Personnel Management's Standard Form (SF) 256, which allows federal employees to self-identify as having any of a variety of impairments. "Targeted disabilities" are those impairments identified on Part I of the SF-256 as "Targeted/Severe Disabilities". The EEOC has instructed federal agencies to focus on people with targeted disabilities, generally because these impairments are obvious during the hiring stage and present evident needs for reasonable accommodation. The targeted disabilities are: deafness, blindness, paralysis, missing extremities, epilepsy, dwarfism, psychiatric disability and severe intellectual disability.

⁴ Government-wide data for FY 2010 and FY 2011 is not available at this time; however, we anticipate little to no change in the Department's ranking.

FY 2011 Disability Participation Rates By Bureau (Permanent)

Bureau	TOTAL	PWD	PWTD
BEP	1856	102 (5.50%)	15 (0.81%)
BPD	1904	173 (9.09%)	23 (1.21%)
DO	1586	72 (4.54%)	9 (0.57%)
FinCEN	300	20 (6.67%)	2 (0.67%)
FMS	1658	121 (7.30%)	25 (1.51%)
IRS	100240	9642 (9.62%)	1904 (1.90%)
IRS-CC	2373	131 (5,52%)	29 (1.22%)
Mint	1761	198 (11.24%)	19 (1.08%)
OCC	3560	166 (4.66%)	14 (0.39%)
OIG	166	9 (5.42%)	1 (0.60%)
SIGT	120	2 (1.67%)	0 (0.00%)
TIGTA	818	32 (3.91%)	4 (0.49%)
TTB	484	36 (7.44%)	4 (0.83%)
TOTAL	116827	10704 (9.16%)	2049 (1.75%)

Also, in response to the FY 2011 revisions to the Standard Form (SF) 256 – Self Identification of Disability, the Department launched a Treasury-wide Resurvey Self-Identification of Disability Campaign which allowed Treasury employees to review and update their disability status based on changes released in the updated SF-256. In addition, employees had the opportunity to review and correct any errors in their veteran status/preference code, ethnicity, race, gender and education level.

The employment of individuals with disabilities within the Department continues to be a focus of the Human Capital Advisory Council (HCAC). As a result, a Disability Dashboard was developed and provided quarterly to assist the HCAC and the Department's leadership with monitoring the bureaus' progress in meeting their five year numerical hiring goals established in FY 2011. To assist the bureaus in reaching their FY 2011 disability hiring goals, the Department also publishes a Disability Awareness section in its quarterly newsletter. Through the newsletter and other sources the Department informed and encouraged hiring managers of various resources that provide assistance with the employment of qualified people with disabilities, i.e., OPM's Bender Consulting Services; the Division of Rehabilitation Services (DORS); and, State Vocational Rehabilitation Agencies (SVRA). The Department also provided an informative 3-day training session for its Special Emphasis Program Managers to enhance their role in promoting the employment of people with disabilities.

Based on the Equal Employment Opportunity Commission issuance of its final regulations on the ADAAA, the Department revised its Reasonable Accommodation Policy and Procedures to reflect the changes in the ADAAA. In addition, the Department developed an online Reasonable Accommodation training for supervisors and managers and anticipates deploying the training in the second quarter of FY 2012.

Accomplishments

The Department is proud of its accomplishments towards maintaining a model EEO program in FY 2011. The accomplishments below outline our many successes throughout the reporting period:

- Re-issuance of the Secretary's annual EEO and Diversity Policy on June 23, 2011;
- The Secretary held his first ever town hall meeting to address Treasury employees, hear their concerns and acknowledge their contributions in accomplishing the Department's mission;
- Updated the Department's Reasonable Accommodation Policy and Procedures;
- Developed a Treasury-wide on-line Reasonable Accommodation training module for supervisors and managers which will be available through the Treasury Learning Management System;
- Conducted a three day Special Emphasis Program Managers (SEPM) Course which emphasized the importance of the SEPM role in the barrier analysis process;
- Hosted 203 interns Department-wide through various diversity internship programs, universities and colleges;
- Provided Treasury EEO Counselors with the mandatory 8 hour refresher training;
- Conducted quarterly data integrity reviews of Treasury/bureau workforce data to ensure accuracy;
- Hosted a Strategic Diversity Recruitment training course, through Cornell University, for the Department's EEO and HR practitioners and Recruiters;
- Launched a Treasury-wide resurvey campaign which encouraged Treasury employees to review and update their current disability status and to also review their reported veteran status/preference, ERI, education level and gender;
- Developed and deployed the Treasury-wide on-line FY 2011 No FEAR training module for employees through the Treasury Learning Management System. 79% of Treasury's employees completed the required training (22,000 seasonal IRS employees will complete the training when they return to duty);
- As part of OCRD's oversight responsibility, conducted two comprehensive bureau audits for the Bureau of Engraving and Printing and the Internal Revenue Service's Chief Counsel EEO programs. These audits are designed to provide guidance and recommendations to assist bureaus in obtaining and maintaining a model EEO Program;

- Published quarterly EEO newsletters which provided Treasury's EEO practitioners, managers and supervisors, as well as employees, with information on relevant complaint issues, workforce statistics and important upcoming agency events/ activities.
 - Developed a quarterly Treasury-wide dashboard to keep Treasury leaders current on the state of Treasury's workforce and progress in meeting the established FY 2011 disability hiring goals.
 - Developed bureau dashboards to assist Treasury leadership in evaluating bureau leadership's progress in meeting the Department's disability goals and their commitment to create and maintain a diverse workforce.
 - Provided individualized MD-715/Workforce Analytics training for new EEO practitioners at three of Treasury's bureaus: BEP, DO and U.S. Mint.
 - Contracted to digitize the Department's EEO complaint files and to develop capabilities to produce and transmit files electronically, which supports the Federal Government's Go Green - Paperless Initiative.
 - Hosted 10 enlightening Treasury-wide Special Emphasis awareness programs throughout FY 2011.
 - Under the auspices of the Department's Champion for women in the workforce, the Treasurer of the United States, Rosie Rios, hosted a quarterly "*Woman in Finance Leadership Series*" which provided Treasury employees the opportunity to learn from leading women in finance, economics, and business.
 - OCC served as executive sponsor of the Treasury Shared Neutrals Program, providing neutrals to Treasury bureaus to help in early resolution of complaints.
 - Sponsored the Fourth Annual Federal Hispanic Career Advancement Summit held in September 2011.
 - Increased the timely production of EEO investigations and Final Agency Decisions by closely monitoring the status through the Treasury Complaint Management System.
 - Conducted the FY 2011 Dispute Prevention Week designed to increase focus on resolution of complaints.
- Workforce Diversity:**
- Met the Department's goal that 2% of all new permanent hires be PWTB, (2.11%) and came close to meeting the goal that 10% of all new permanent hires be PWD (9.81%).

- Increased the participation rate for women at the GS-13 through GS-15 grade level by 4.2%; from 45.1% in FY 2005 to 49.3% in FY 2011. At the SES level, the participation rate increased by 7.1%, from 32.8% in FY 2005 to 39.9% in FY 2011.
- Increased the participation rate for non-Whites in the GS-13 through GS-15 grades by 5.7%, from 26.9% in FY 2005 to 32.6% in FY 2011. At the SES level, the participation rate increased by 1.7%; from 18.1% in FY 2005 to 19.8% in FY 2011.
- Continued to maintain one of the highest participation rates for Hispanic employees (10.3% compared to the CLF availability rate of 10.7%) among cabinet level agencies; and
- Continued to hold the highest participation rate for persons with targeted disabilities (1.72% compared to the Federal goal of 2%) among cabinet level agencies.



Planned Activities/Conclusion

The Office of Civil Rights and Diversity's FY 2011 MD-715 Report outlines some of our successes in the area of equal opportunity programs and activities. The Department of Treasury is proud of its accomplishments in the areas of attracting and retaining an increasingly diverse workforce. However, we realize there is still much to be done to increase workforce diversity, distribution in the senior pay levels and feeder groups, and for individuals with targeted disabilities. Therefore, as we move forward into the next fiscal year, we will maintain our focus on developing plans to ensure we have the broadest group of diverse, well-qualified talent from which to recruit.

OCR'D's FY 2012 planned activities include the following:

- In accordance with EO 13583, OCR'D and Bureau EEO Officers and Diversity/Inclusion colleagues will develop and begin implementing a new Treasury Diversity and Inclusion Strategy plan in FY 2012;
- Continue to closely monitor the Treasury Complaint Management System to ensure continued improvement in the timely production of Final Agency Decisions and EEO investigations;
- Host an EEO counselor training session for newly appointed EEO counselors;
- Continue OCR'D's oversight responsibility by conducting an audit of one of Treasury's bureaus;
- Continue to meet with each bureau EEO Office to review its employment profiles and identify potential problems in the areas of recruitment, promotion, or retention;
- Monitor bureau progress in correcting noted deficiencies;
- Continue to monitor the bureau plans to identify the existence of barriers to the employment of any group and strategies to eliminate any barriers that are uncovered;
- Provide feedback to each bureau on its FY 2011 Hispanic, Disabled Veterans and FEORP Reports. Feedback will include a comprehensive analysis of the bureau's program successes and identify program areas that would benefit from more bureau attention;
- Provide each bureau a assessment on their FY 2011 MD-715 report submissions. Assessment will identify bureau best practices, identify program areas where the bureau needs to provide more attention, and provide recommendations on future barrier analysis;
- Continue to ensure compliance with Executive Order 13548 by monitoring bureau plans to reach the goal of 10% participation rate of PWD and a sub-goal of 2% for PWTD; require bureaus to a recommit to the goal that 2% of all new hires each year over the next five years are PWTD;

- Deploy an operational Electronic Complaint File System (E-File). The E-File system will allow Treasury EEO users to upload all documents related to a specific case, auto generate correspondence and e-forms, and ultimately roll all related case documents into one PDF for electronic submission to the EEOC;
- Research and recommend tools that will assist bureaus in achieving their 5-year hiring goals in FY 2012 to meet or exceed a 10% goal for PWD with a sub-goal of 2% for PWTD;
- Develop a system for quarterly monitoring of return-to-work metrics; and
- Continue to participate in the Federal Disability Workforce Consortium (FDWC) to share and gather recruitment and program best practices utilized throughout the Federal Government.

Appendix A: Glossary

Glossary

The following definitions apply to this Directive:

Applicant: A person who applies for employment.

Applicant Flow Data: Information reflecting characteristics of the pool of individuals applying for an employment opportunity.

Barrier: An agency policy, principle, practice, or condition that limits or tends to limit employment opportunities for members of a particular sex, race, or ethnic background or for an individual (or individuals) based on disability status.

Civilian Labor Force (CLF): Persons 16 years of age and over, except those in the armed forces, who are employed or are unemployed and seeking work.

Disability: For the purposes of statistics, recruitment and targeted goals, the number of employees in the work force who have indicated having a disability on an Office of Personnel Management Standard Form (SF) 256. For all other purpose, the definition contained in 29 C.F.R. § 1630.2 applies.

Employees: Members of agency's permanent or temporary work force, whether full or part-time and whether in competitive of excepted service positions.

Employment Decision: Any decision affecting the terms and conditions of an individual's employment, including but not limited to hiring, promotion, demotion, disciplinary action and termination.

Feeder Group or Pool: Occupational group(s) from which selections to a particular job are typically made.

Fiscal Year: The period from October 1 of one year to September 30 of the following year.

Goal: Under the Rehabilitation Act, an identifiable objective set by an agency to address or eliminate barriers to equal employment opportunity or to address the lingering effects of past discrimination.

Major Occupation: Agency occupations that are mission related and heavily populated, relative to other occupation within the agency.

Reasonable Accommodation: Generally, any modification or adjustment to the work environment, or to the manner or circumstances under which work is customarily performed, that enables an individual with a disability to perform the essential functions of a position or enjoy equal benefits and privileges of employment as are enjoyed by similarly situated individuals without a disability. For a more complete

definition see 29 C.F.R. § 1630.2(o). Also see, EEOC Enforcement Guidance on Reasonable Accommodation and Undue Hardship under the Americans with Disabilities Act, No 915.002 (October 17, 2002)

Relevant Labor Force (RLF): The RLF is the labor force by occupation. It is used for making occupation comparisons, as opposed to general CLF, which represents the overall work force by class group. The RLF is developed by the Bureau of the Census. On their Website located at <http://www.census.gov/eeo2000/>, Census provides by class group data for every occupational category used in the census. The Census also provides a crosswalk identifying which census category should be used when comparing each Federal occupational series.

Section 501 Program: The affirmative program plan that each agency is required to maintain under 501 of the rehabilitation Act to provide individuals with disabilities adequate hiring, placement, and advancement.

Section 717 Program: The affirmative program of equal employment opportunity that each agency is required to maintain for all employees and applicants for employment under Section 717 of Title VII.

Special Recruitment Program: A program designed to monitor recruitment of, and track applications from, persons with targeted disabilities.

Targeted Disabilities: Disabilities that the Federal government, as a matter of policy, has identified for special emphasis in affirmative action programs. They are: deafness, blindness, missing extremities, partial paralysis, complete paralysis, epilepsy, severe intellectual disability, psychiatric disability, and dwarfism.

Trend Analysis: An aspect of technical analysis that tries to predict the future movement of something based on past data. Trend analysis is based on the idea that what has happened in the past gives us an idea of what will happen in the future.

Trigger: A condition which may cause a barrier analysis to be conducted under EEOC MD 715. In MD 715, EEOC requires agencies to prepare statistical tables representing various segments of employment data. The triggers alert the agency to possible barriers that may exist to equal employment opportunity.