FISCAL YEAR 2013

PERFORMANCE AND ACCOUNTABILITY REPORT

U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

United States Equal Employment Opportunity Commission

FISCAL YEAR 2013

PERFORMANCE AND ACCOUNTABILITY REPORT

Our Vision

Justice and Equality in the Workplace

Our Mission

Stop and Remedy Unlawful Employment Discrimination

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A MESSAGE FROM THE CHAIR

I am pleased to present the U.S. Equal Employment Opportunity Commission's (EEOC) Performance and Accountability Report (PAR) for fiscal year (FY) 2013. The EEOC is dedicated to the efficient and effective enforcement of the nation's equal employment laws through investigation, mediation, conciliation, litigation, education and outreach. The PAR highlights the agency's major achievements and progress toward advancing our mission to *stop and remedy unlawful employment discrimination* in FY 2013.

Created by the *Civil Rights Act of 1964*, the EEOC enforces federal laws that prohibit employment discrimination on the basis of race, color, national origin, sex, religion, age disability and family medical history and genetic information. The EEOC's jurisdiction to enforce employment antidiscrimination laws and promote equal employment opportunity extends to private, state and local government, and federal sector employment. Because prevention of unlawful workplace discrimination is essential to effective enforcement, the agency also serves as a resource for all employers and provides training, technical assistance, and guidance concerning compliance with employment discrimination laws. The EEOC educates the public — particularly underserved communities and small businesses — concerning the requirements of the laws that we enforce. Indeed, the EEOC is the nation's premier champion of equal employment opportunity for all.

In FY 2013, the EEOC continued to implement its *Strategic Plan for Fiscal Years 2012 – 2016* and began implementing its Strategic Enforcement Plan (SEP). Significant agency accomplishments in FY 2013 include:

- ***Adoption and Implementation of the SEP.*** The SEP, developed with extensive input from agency staff and external stakeholders, was designed to focus agency enforcement and outreach efforts on priorities that will have a significant impact on equal employment opportunity in the 21st century and promote more efficient management of charge and complaint systems to improve customer service. The SEP identified six enforcement priorities for the private, public, and federal sectors: 1) eliminating barriers in recruitment and hiring; 2) protecting immigrant, migrant and other vulnerable workers; 3) addressing emerging and developing issues; 4) enforcing equal pay laws; 5) preserving access to the legal system; and 6) preventing harassment through systemic enforcement and targeted outreach.

- ***Challenging Systemic Discrimination.*** The EEOC also filed 21 systemic lawsuits in FY 2013 and 23 percent of the active docket focused on systemic matters. This is significant because systemic cases address patterns or practices that have a broad impact on a region, industry or entire class of employees or job applicants.

- ***Extensive Outreach and Public Education Activities.*** The agency's outreach programs reached more than 280,000 persons in FY 2013 through sponsorship and participation in more than 3,800 no-cost educational, training, and outreach events. The Training Institute trained 17,000 individuals at more than 370 events.

- ***More Efficient Resolution of Discrimination Claims.*** The average resolution time for private sector charges was reduced by 21 days and the inventory of pending aged appeals in the federal sector was reduced by 5.6 percent in FY 2013.

The EEOC secured a record $372.1 million in monetary relief for victims of employment discrimination in private sector and state and local government workplaces through mediation, conciliation and other administrative enforcement. The EEOC also secured $39 million in monetary relief for charging parties through litigation, $56.3 million in monetary relief for federal employees and applicants who requested hearings, and more than $11.3 million in monetary relief for federal employees and applicants through federal sector appellate orders. More importantly, in each of these categories, the agency obtained substantial equitable relief to remedy violations of equal employment opportunity laws and prevent future discriminatory conduct in the workplace.

The Commission also demonstrated good stewardship of taxpayer dollars, and received, for the tenth consecutive year, an unqualified opinion from independent auditors.

The EEOC's accomplishments are especially noteworthy in light of extraordinary fiscal constraints and operational challenges in FY 2013, including sequestration, a 40-hour furlough of the entire workforce, and threatened government shutdown. Following two years of significant budget reductions and hiring freezes, these challenges have endangered the hard won, but fragile progress reported in recent PARs and threatened the agency's ability to meet the demand for the services of the EEOC. As an example, the significant reductions in our private sector inventory gained in FY 2011 and FY 2012 could not be sustained in FY 2013 due to the decline in staffing and resources. Similarly, expenditures for enforcement programs, contract mediators, technology projects, professional service and administrative support contracts, and staff training have been significantly reduced or suspended due to the uncertain fiscal climate.

Despite these hurdles, the men and women of the EEOC remain committed to meeting the needs, addressing the challenges, and seizing upon the opportunities of the 21st Century workforce. Ultimately, we hope to fulfill the dream of those who came to Washington, DC for the March for Jobs and Freedom in 1963 and those who commemorated the 50th Anniversary of the March on Washington earlier this year. Their dream is also our vision: to achieve justice and equality in the nation's workplaces. As Chair of the Commission, it is a privilege and honor to work with my fellow Commissioners, the General Counsel, and our more than 2,100 agency colleagues, as well as with the Administration, Congress, our federal, state, and local government enforcement partners, and many employers, workers, advocates, and other agency stakeholders to fulfill our mission of stopping and remedying unlawful employment discrimination.

Jacqueline A. Berrien
Chair
U.S. Equal Employment Opportunity Commission
December 16, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

Introduction

This *FY 2013 Performance and Accountability Report* (PAR) was prepared in accordance with the Reports Consolidation Act of 2000 and the Office of Management and Budget's (OMB) Circular A-136, Financial Reporting Requirements. It presents the results of the U.S. Equal Employment Opportunity Commission's programs and financial performance, along with its management challenges. This section of the PAR summarizes agency efforts in each of these areas. A more detailed discussion can be found in the following sections of the report:

- **Performance Results:** Highlight the progress made in meeting the agency's performance measures, which are articulated in EEOC's Strategic Plan for Fiscal Years 2012 through 2016.
- **The Inspector General's Statements:** Present key management challenges identified by the Inspector General, the agency's progress and plans to address them, and a statement of compliance with the Federal Managers' Financial Integrity Act (FMFIA).
- **The Consolidated Financial Statements:** Demonstrate efforts to be good stewards over the funds the agency receives to carry out its mission. Included in this section is an independent auditor's opinion on the agency's financial statements.

This report also satisfies the Commission's obligation to provide Congress with annual reports of the agency's significant accomplishments achieved during the fiscal year.

Agency Overview

The U.S. Equal Employment Opportunity Commission ("EEOC" or "Commission" or "the agency") is the leading federal law enforcement agency dedicated to eradicating employment discrimination on the basis of race, color, national origin, sex, religion, pregnancy, age, disability, and family medical history or genetic information. The agency began its work nearly 50 years ago and while there have been significant changes in society and the workplace, the public continues to rely on the EEOC to carry out its responsibility to bring justice and equal opportunity to the workplace.

The Commission receives, investigates, and resolves charges of employment discrimination filed against private sector employers, employment agencies, labor unions, and state and local governments. Where the Commission does not resolve these charges through conciliation or other informal methods, it may also file suit in court against private sector employers, employment agencies and labor unions (and against state and local governments in cases alleging age discrimination or equal pay violations). The EEOC also leads and coordinates equal employment opportunity efforts across the federal government, and conducts administrative hearings and issues appellate decisions on complaints of discrimination filed by federal employees and applicants for federal employment. Finally, the Commission engages in extensive communication and outreach, provides technical assistance, and promulgates regulations and

written enforcement guidance to help employers and employees better understand their rights and responsibilities under the laws the EEOC enforces.

A more detailed explanation of the EEOC's structure and the laws it enforces can be found in Appendix A.

Agency Results under the Strategic Plan Performance Measures

The Government Performance and Results Modernization Act, enacted on January 4, 2011, requires Federal agencies to prepare a Strategic Plan every four fiscal years, beginning in 2012. (5 USC 306, as amended). As a result, the EEOC developed a new Strategic Plan for Fiscal Years 2012–2016 ("Strategic Plan" or "Plan"). The Plan was approved by the Commission on February 22, 2012.

The FY 2013 PAR is based on the agency's Fiscal Year's 2012–2016 Strategic Plan, which is located at: http://www.eeoc.gov/eeoc/plan/strategic_plan_12to16.cfm. The Plan established an effective framework for achieving the EEOC's mission to *stop and remedy unlawful employment discrimination*, in support of the Commission's vision of *justice and equality in the workplace*. To that end, the EEOC has committed to pursuing the following strategic objectives and goals:

- **Strategic Objective I. Combat employment discrimination through strategic law enforcement.** The correlated goals are to: 1) have a broad impact on reducing employment discrimination at the national and local levels; and 2) remedy discriminatory practices and secure meaningful relief for victims of discrimination;
- **Strategic Objective II. Prevent employment discrimination through education and outreach.** The correlated goals are to have: 1) members of the public understand and know how to exercise their right to employment free of discrimination; and 2) employers, unions and employment agencies (covered entities) better address and resolve equal employment opportunity (EEO) issues, thereby creating more inclusive workplaces; and
- **Strategic Objective III. Deliver excellent and consistent service through a skilled and diverse workforce and effective systems.** The correlated goals are to have interactions with the public that are timely, of high quality, and informative.

The Plan also identified strategies for achieving each outcome goal and identified 14 performance measures for gauging the EEOC's progress as it approaches FY 2016. The agency's progress in meeting these measures is displayed below and discussed in detail in the Performance Results section of this report.

EEOC FY 2013 Performance

Measures	☐ Targets Met or Exceeded	◆ Targets Partially Met[1]	◉ Targets Not Met	Not Applicable in FY 2013
14	7	7	0	0

1 ◆ **Targets Partially Met:** A rating assigned to target results where (1) at least half of the activities targeted for completion were completed, or (2) EEOC was unable to assess the results because full year data was not yet available.

Related Program Results and Activities Highlights

Serving the Public More Efficiently

In concert with the goals established in the Strategic Plan is the need to serve the public efficiently. Managing the agency's charge, complaint, and appeals inventory is part of that obligation. In FY 2010, Chair Jacqueline Berrien initiated a multi-year approach of sustained management attention to reverse the growth of the private sector charge inventory which had increased from 18–38 percent between FY 2004 and FY 2009. As a result, the EEOC reduced its private sector inventory by nearly 20 percent from FY 2010 through FY 2012—the first decreases in nearly a decade.

Despite the impact of sequestration and limited resources, the EEOC was able to keep the increase to the private sector inventory to 469 charges. In FY 2013, the EEOC received 93,727 charges. This is approximately a 6,000 charge decrease from the prior three fiscal years; however it is still one of the top five fiscal years in terms of receipts. In addition, a total of 97,252 charges were resolved in FY 2013, a drop of nearly 14,000. While this is a significant decrease in resolutions, it is also a remarkable achievement given the decline in staffing and resources the agency faced in FY 2013.

Notably, the average processing time to resolve charges dropped by 21 days to 267 days. By improving the timeliness of charge resolution and the EEOC's customer service efforts, these results better position the agency for FY 2014. However, further gains may be tempered by the continuing hiring freeze and repercussions from the Government shutdown.

In the federal sector adjudicatory program, the EEOC received 7,077 requests for hearings in FY 2013. Additionally, the Commission's hearings program resolved a total of 6,789 complaints.

During the last fiscal year, the EEOC received 4,244 appeals of final agency actions in the federal sector, a 2.4 percent decrease from the 4,350 such appeals received in FY 2012. FY 2013 was the second year in which the EEOC applied a more balanced approach to the resolution of the newest and oldest appeals. The agency resolved 4,361 appeals, including 47.9 percent of them within 180 days of their receipt.

Enforcing the Law More Effectively

The EEOC's private sector administrative enforcement activities secured $372.1 million in monetary benefits in FY 2013, the highest level of monetary relief ever obtained by the Commission through the administrative process and $6.7 million more than was recovered in FY 2012. Overall, the agency secured both monetary and non-monetary benefits for more than 70,522 people through administrative enforcement activities including mediation, settlements, conciliations, and withdrawals with benefits.

Field legal units of the agency filed 131 merits lawsuits during FY 2013. These included 89 individual suits, 21 non-systemic class suits, and 21 systemic suits. Legal staff resolved 209 merits lawsuits for a total monetary recovery of $39 million. At the end of FY 2013, the EEOC had 231 cases on its active docket, of which 46 (20 percent) were non-systemic class cases and 54 (23 percent) involved challenges to systemic discrimination.

In FY 2013, the EEOC's field offices completed work on 300 systemic investigations resulting in 63 settlements or conciliation agreements, recovering approximately $40 million. In addition, 106 reasonable cause determinations in systemic investigations were issued in FY 2013. Systemic suits comprised 16 percent of all merits filings, and by the end of the year represented 23.4 percent of all active merit suits—the largest proportion since tracking started in FY 2006.

In FY 2013, the EEOC secured more than $56.3 million in relief for parties who requested hearings in the federal sector.

Leadership in Federal Civil Rights Enforcement

During fiscally challenging times, the work of the Commission is made more efficient when the EEOC coordinates closely with other federal agencies. EEOC has active relationships with a number of federal agencies, the Office of Management and Budget, and the White House. These interagency partnerships provide opportunities to maximize the benefit of each agency's work to the public, to avoid duplication of effort, and ensure the most efficient use of agency resources. In FY 2013, the EEOC participated in a number of interagency partnerships, including the White House Initiative on Asian American and Pacific Islanders (WHIAPPI) (www.whitehouse.gov/aapi), the National HIV/AIDS Strategy (www.white-house.gov/administration/eop/onap/nhas), the Federal Interagency Reentry Council (www.eeoc.gov/eeoc/interagency/re-entry_council.cfm), the National Equal Pay Enforcement Task Force (http://www.whitehouse.gov/equal-pay/career), the Tri-Agency (EEOC, Department of Justice, and Department of Labor) Working Group, the President's Interagency Task Force to Monitor and Combat Human Trafficking (PITF) (http://state.gov/j/tip/rls/reports/pitf/index.htm), and the Senior Policy Operating Group (SPOG).

In FY 2013, the Commission published final regulations and guidance or assistance on substantive issues under the laws enforced by the EEOC. A technical assistance document on *The Mental Health Provider's Role in a Client's Request for a Reasonable Accommodation at Work*, was published on May 1, 2013. A series of technical assistance documents—*Revisions to the Americans with Disabilities Act (ADA) Questions and Answers Series*—was released on May 15, 2013. The EEOC also issued its final rule on *Availability of Records* on June 19, 2013 and a final rule on *Correcting Procedural Regulations* was issued by the Commission on September 6, 2013.

Extending the EEOC's Reach

The agency's outreach programs reached 283,000 persons in FY 2013 through participation in 3,854 no-cost educational, training, and outreach events. Additionally, in FY 2013, the EEOC Training Institute, which is managed under a separate statutory authority that enables the Commission to offer in-depth and specialized programs on a fee basis, supplementing the free general informational and outreach activities, trained 17,000 individuals at more than 370 events, including 121 field "Customer Specific Training" events with approximately 5,600 attendees.

These efforts targeted small businesses, vulnerable workers, underserved geographic areas and communities, and emphasized new statutory responsibilities, issues related to migrant workers, human trafficking and youth.

Improved Labor–Management Relations

Pursuant to the President's Executive Order 13522, "Creating Labor-Management Forums to Improve Delivery of Government Services," the EEOC continued its work with the National Council of EEOC Locals No. 216 and the AFGE-AFL-CIO in expanding labor relations under the Order. During FY 2014, the agency expects to provide guidance to Local Management Forums on implementing cost savings issues and other programs directed at employee morale.

The Federal Employees' Viewpoint Survey shows that EEOC employees continue to like the kind of work they do, believe their work is important, are willing to give extra effort to get a job done and, are looking for ways to do their jobs better. In fact, employees rate the overall quality of work done in their work unit above 85 percent. Employees also say they are held accountable for achieving results and know how their work relates to agency goals. Supervisors/Team Leaders talk with their employees about their performance and treat them with respect.

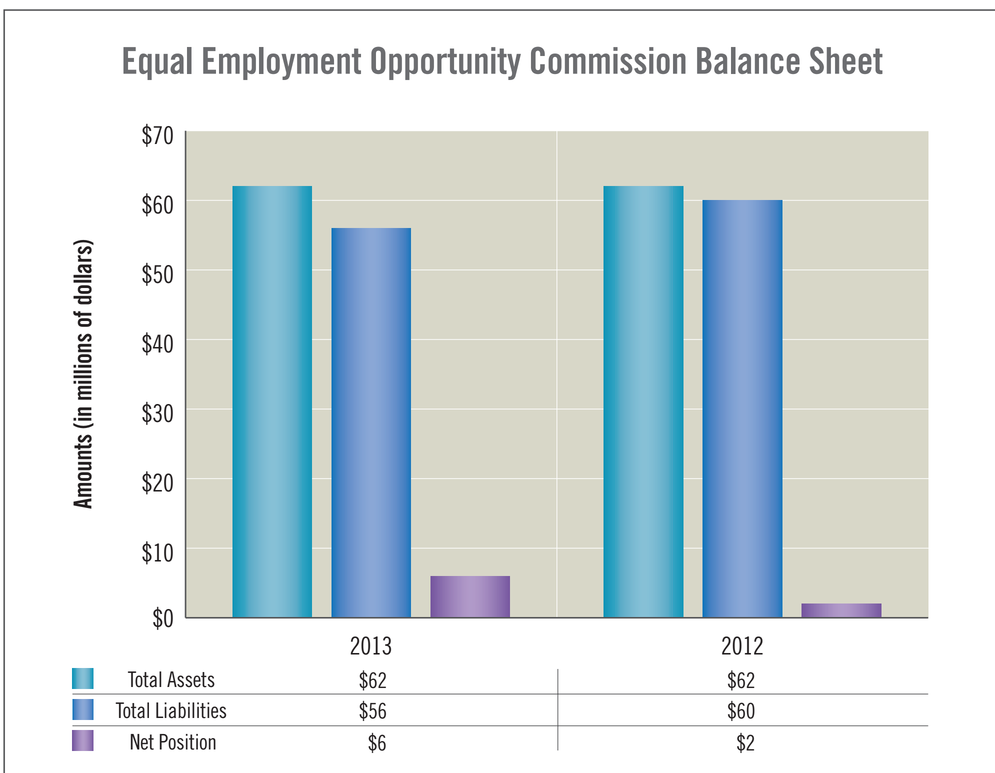
Federal Managers' Financial Integrity Act

The EEOC's management controls and financial management systems were sound during FY 2013, with the exception of eight findings of financial non-conformances. The financial non-conformances were identified in several audit reports prepared by the Office of Inspector General (OIG): *OIG Report No. 2012–02–FIN*, December 19, 2012, *OIG Report No. 2012–01–FIN*, November 16, 2012, and *OIG Report No. 2011–03–FIN*, December 15, 2011. The agency has implemented corrective action plans to resolve all uncorrected financial, non-conformances in FY 2014.

Based on the actions taken, and considering the agency's controls environment as a whole, the agency concludes that during FY 2013, its financial and management controls systems were in compliance with the Federal Managers' Financial Integrity Act (FMFIA). The agency has plans in place to resolve the remaining financial non-conformances in FY 2014. The controls systems were effective; agency resources were used consistent with the agency's mission; the resources were used in compliance with laws and regulations; and, there was minimal potential for waste, fraud, and mismanagement of the resources.

Financial Highlights

The Office of Management and Budget (OMB) Circular Number A–136 Revised dated October 21, 2013 was used as guidance for the preparation of the accompanying financial statements. EEOC prepares four financial statements: the Consolidated Balance Sheets, Consolidated Statements of Net Cost, Consolidated Statement of Changes in Net Position, and the Combined Statements of Budgetary Resources.



Consolidated Balance Sheets

The Consolidated Balance Sheets present amounts that are owned or managed by EEOC (assets); amounts owed (liabilities); and the net position of the agency divided between the cumulative results of operations and unexpended appropriations.

EEOC's balance sheets show total assets of $62 million at the end of FY 2013. This is no change from FY 2012.

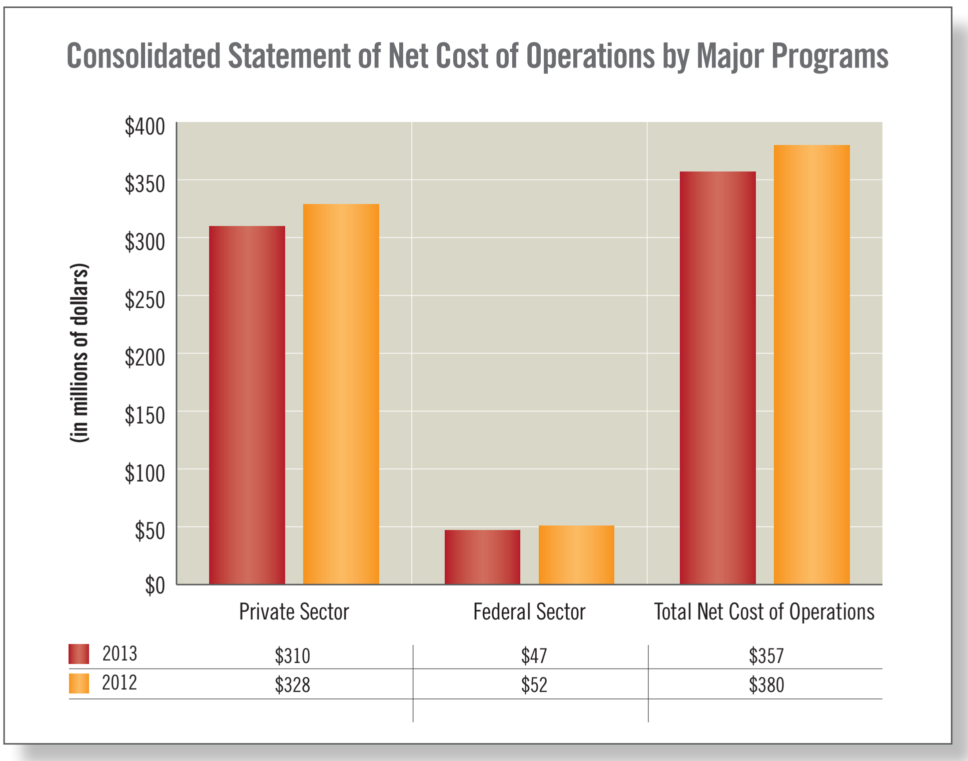
The Net Position is the sum of Unexpended Appropriations and the Cumulative Results of Operations. At the end of FY 2013, EEOC's Net Position on its Balance Sheets and the Statement of Changes in Net Position is $6 million, an increase of $4 million, or 200 percent changed from the FY 2012 ending Net Position of $2 million. This increase is due primarily to a increase in EEOC's Unexpended Appropriations for Fiscal Year 2013.

Consolidated Statements of Net Cost

The Consolidated Statements of Net Cost presents the gross cost incurred by all programs less any revenue earned. Overall, in FY 2013, EEOC's Consolidated Statements of Net Cost of Operations decreased by $23 million or 6 percent. The allocation of costs for FY 2013 shows that the net cost for the private sector and outreach decreased by $18 million, or 5 percent, while the net cost for Federal Sector Programs decreased by $5 million or 10 percent.

Consolidated Statement of Changes in Net Position

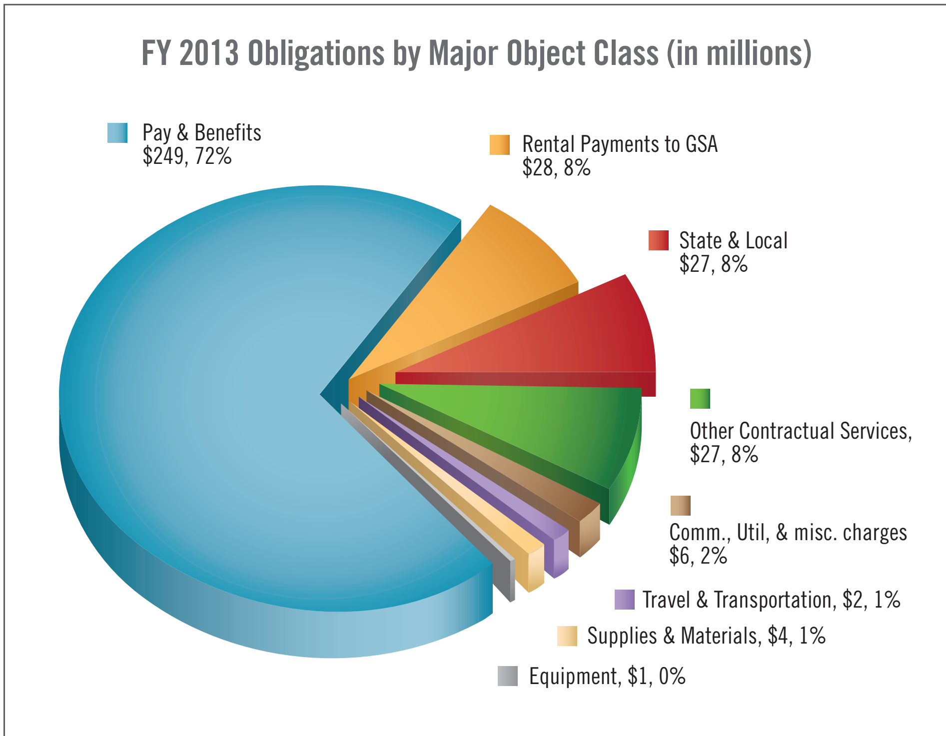
The Consolidated Statement of Changes in Net Position represent the change in the net position for FY 2013 and FY 2012 from the cost of operations, appropriations received and used, net of rescissions, and the financing of some costs by other government agencies. The Consolidated Statement of Changes in Net Position increased over last year by $4 million, or 200 percent. EEOC's total assets exceeded total liabilities (funded and unfunded) by approximately $6 million, or 11 percent.



Combined Statements of Budgetary Resources

The Combined Statements of Budgetary Resources shows how budgetary resources were made available and the status of those resources at the end of the fiscal year. In FY 2013, EEOC received $344 million in budget authority.

EEOC ended FY 2013 with a decrease in total budgetary resources. Resources not available for new obligations at the end of the year totaled $11 million and $11 million in FY 2013 and FY 2012, respectively. The unobligated balance not available represents expired budget authority from prior years that are no longer available for new obligations.

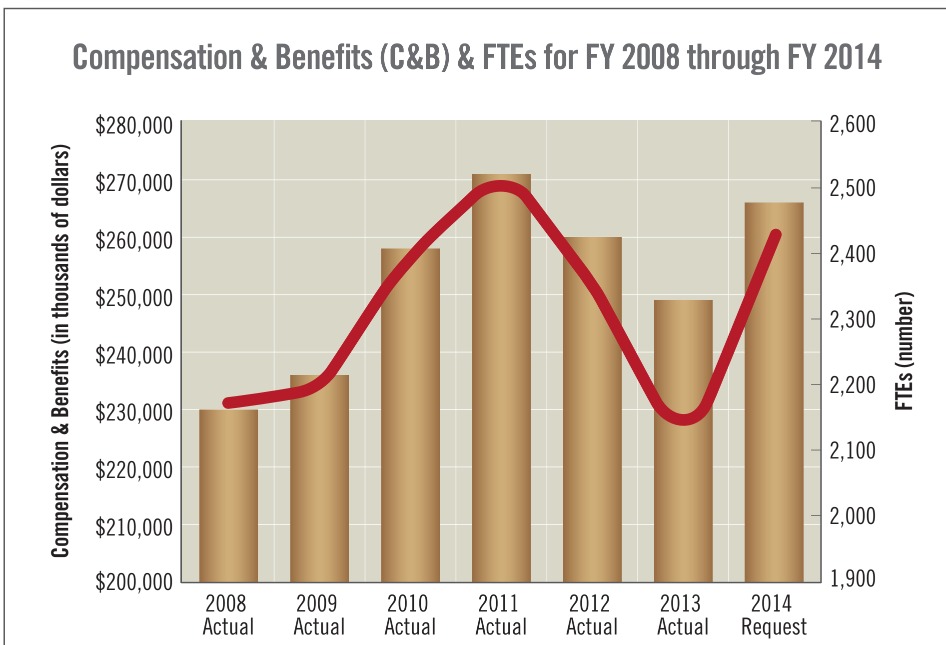


FY 2013 Obligations by Major Object Class (in millions)

Use of Resources

The pie chart displays EEOC's FY 2013 use of resources by major object class. The chart shows that Pay and Benefits, State & Local, Rent to GSA and Other Contractual Services consumed 96 percent of EEOC's resources, and other expenses (e.g., travel & transportation, equipment, supplies & materials, etc.) consumed less than 4 percent of EEOC's resources for FY 2013.

The dual axis chart below depicts EEOC's compensation and benefits versus full-time equivalents (FTE) over the past six years. EEOC ended FY 2013 with 2147 FTEs, a net decrease of 199, or 8 percent, below FY 2012.



Compensation & Benefits (C&B) & FTEs for FY 2008 through FY 2014

	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Request
C&B	$230,000	$236,000	$258,000	$271,000	$260,000	$248,000	$266,000
FTEs	2,176	2,192	2,365	2,505	2,346	2,147	2,423

PERFORMANCE RESULTS

Results Achieved in FY 2013 under Strategic Plan Performance Measures

Overview of the Strategic Plan and Performance Measures

This *Performance and Accountability Report* is based on the EEOC's Strategic Plan for Fiscal Years 2012 through 2016 ("Plan"), approved by the Commission on February 22, 2012. In the process of developing the Plan, the Commission engaged in a comprehensive assessment of the agency's programs and priorities. As a result, the EEOC believes it is prepared to support the agency's critical mission to *stop and remedy unlawful employment discrimination*, and to pursue its vision for the 21st century of *justice and equality in the workplace*, by focusing on the following three strategic objectives:

- **Strategic Objective I:** To combat employment discrimination through strategic law enforcement. This Objective reflects the agency's primary mission of preventing unlawful employment discrimination through the use of: 1) administrative (investigation, mediation and conciliation) and litigation enforcement mechanisms with regard to private employers, labor organizations, employment agencies, and state and local government employers; and 2) adjudicatory and oversight mechanisms with regard to Federal employers. Seven performance measures were developed for Strategic Objective I.

- **Strategic Objective II:** To prevent employment discrimination through education and outreach. This Objective acknowledges that to successfully prevent employment discrimination through education and outreach, the EEOC must also work to prevent employment discrimination before it occurs. Investigations, conciliations, and litigation are only some of the means by which the agency fulfills its mission and vision. The Commission is also authorized to engage in education and outreach activities, including providing training and technical assistance, for those with rights and responsibilities under employment antidiscrimination laws. Four performance measures were developed for Strategic Objective II.

- **Strategic Objective III:** To deliver excellent and consistent service through a skilled and diverse workforce and effective systems. This Objective ensures that the EEOC will deliver excellent and consistent service through our efforts to support a skilled workforce and the deployment of effective systems. Two performance measures were developed for Strategic Objective III.

The final budgetary resource measure, Performance Measure 14, and the agency's strategic objectives, outcome goals, and 13 other performance measures identified in the Plan are depicted in the Strategic Plan Diagram below. Each measure is analyzed in greater detail on the following pages.

EEOC FY 2013 Performance

Measures	Targets Met or Exceeded	Targets Partially Met*	Targets Not Met	Not Applicable in FY 2013
14	7	7	0	0

* ◆ **Targets Partially Met:** A rating assigned to target results where (1) at least half of the activities targeted for completion were completed, or (2) EEOC was unable to assess the results because full year data was not yet available.

STRATEGIC PLAN

Mission	Vision
Stop and Remedy Unlawful Employment Discrimination	Justice and Equality in the Workplace

STRATEGIC OBJECTIVE I	STRATEGIC OBJECTIVE II	STRATEGIC OBJECTIVE III
Combat employment discrimination through strategic law enforcement.	Prevent employment discrimination through education and outreach.	Deliver excellent and consistent service through a skilled and diverse workforce and effective systems.
Outcome Goal I.A Have a broad impact in reducing employment discrimination at the national and local levels. **Strategy I.A.1:** Develop and implement a Strategic Enforcement Plan that: (1) establishes EEOC priorities and (2) integrates the EEOC's investigation, conciliation and litigation responsibilities in the private and state and local government sectors; adjudicatory and oversight responsibilities in the federal sector; and research, policy development, and education and outreach activities. **Strategy I.A.2:** Rigorously and consistently implement charge and case management systems to focus resources and enforcement on the EEOC's priorities. **Strategy I.A.3:** Use administrative and litigation mechanisms to identify and attack discriminatory policies and other instances of systemic discrimination. **Strategy I.A.4:** Use EEOC decisions and oversight activities to target pervasive discriminatory practices and policies in federal agencies. **Outcome Goal I.B** Remedy discriminatory practices and secure meaningful relief for victims of discrimination. **Strategy I.B.1:** Ensure that remedies end discriminatory practices and deter future discrimination. **Strategy I.B.2:** Seek remedies that provide meaningful relief to individual victims of discrimination.	**Outcome Goal II.A** Members of the public understand and know how to exercise their right to employment free of discrimination. **Outcome Goal II.B** Employers, unions and employment agencies (covered entities) prevent discrimination and better resolve EEO issues, thereby creating more inclusive workplaces. **Strategy II.A.1:** Target outreach to vulnerable workers and underserved communities. **Strategy II.B.1:** Target outreach to small and new businesses. **Strategy II.A.2 and II.B.2:** Provide up-to-date and accessible guidance on the requirements of employment antidiscrimination laws.	**Outcome Goal III.A** All interactions with the public are timely, of high quality, and informative. **Strategy III.A.1:** Effectively engage in workforce development and planning, including identifying, cultivating, and sustaining a skilled and diverse workforce. **Strategy III.A.2:** Rigorously and consistently implement charge and case management systems to deliver excellent service. **Strategy III.A.3:** Use innovative technology to facilitate responsive interactions and streamline agency processes.

STRATEGIC OBJECTIVE I

Performance Measures

Performance Measure 1 for Strategy I.A.1

By FY 2016, the EEOC develops, issues, implements, evaluates, and revises, as necessary, a Strategic Enforcement Plan.

Performance Measure 2 for Strategy I.A.2 and Strategy III.A.2

By FY 2016, TBD% of investigations and conciliations meet the criteria established in the new Quality Control Plan.

Performance Measure 3 for Strategy I.A.2 and Strategy III.A.2

By FY 2016, 100% of federal sector case inventory is categorized according to a new case management system and TBD% of hearings and appeals meet the criteria established in the new federal sector Quality Control Plan.

Performance Measure 4 for Strategy I.A.3

By FY 2016, TBD% of the cases in the agency's litigation docket are systemic cases.

Performance Measure 5 for Strategy I.A.4

By FY 2016, the EEOC uses an integrated data system to identify potentially discriminatory policies or practices in federal agencies and has issued and evaluated TBD number of compliance plans to address areas of concern.

Performance Measure 6 for Strategies I.B.1 and I.B.2

By FY 2016, a TBD% of the EEOC's administrative and legal resolutions contain targeted, equitable relief.

Performance Measure 7 for Strategies I.B.1 and I.B.2

By FY 2016, a TBD% of resolutions by FEPAs contain targeted, equitable relief.

STRATEGIC OBJECTIVE II

Performance Measures

Performance Measure 8 for Strategy II.A.1

By FY 2016, the EEOC is maintaining TBD significant partnerships with organizations that represent vulnerable workers and/or underserved communities.

Performance Measure 9 for Strategy II.B.1

By FY 2016, the EEOC is maintaining TBD significant partnerships with organizations that represent small or new business (or with businesses directly).

Performance Measure 10 for Strategies II.A.1 and II.B.1

By FY 2013, the EEOC implements a social media plan.

Performance Measure 11 for Strategies II.A.2 and II.B.2

The EEOC reviews, updates, and/or augments with plain language materials its sub-regulatory guidance, as necessary.

STRATEGIC OBJECTIVE III

Performance Measures

Performance Measure 12 for Strategy III.A.1

The EEOC strengthens the skills and improves the diversity of its workforce.

Performance Measure 2 for Strategy I.A.2 and Strategy III.A.2

By FY 2016, TBD% of investigations and conciliations meet the criteria established in the new Quality Control Plan.

Performance Measure 3 for Strategy I.A.2 and Strategy III.A.2

By FY 2016, 100% of federal sector case inventory are categorized according to a new case management system and TBD% of hearings and appeals meet the criteria established in the new federal sector Quality Control Plan.

Performance Measure 13 for Strategy III.A.3

The EEOC improves the private sector charge process to streamline services and increase responsiveness to customers throughout the process.

BUDGETARY RESOURCES MEASURE

Performance Measure 14

The EEOC's budgetary resources for FY 2014–2017 align with the Strategic Plan.

Results Achieved Under Specific Performance Measures

STRATEGIC OBJECTIVE I:
Combat employment discrimination through strategic law enforcement.

To aid in our ability to support a strategic law enforcement objective, we have focused our efforts toward achieving the following outcome goals that are critical to the success of the agency's mission to: 1) have a broad impact in reducing employment discrimination at the national and local levels; and 2) remedy discriminatory practices and secure meaningful relief for victims of discrimination.

To effectively reduce employment discrimination in a far reaching and extensive manner, we have identified four key strategies that are currently being developed and/or implemented, as directed by the agency's fiscal years 2012–2016 Strategic Plan and the administrative priorities established by the Office of the Chair:

- Develop and implement a Strategic Enforcement Plan that: 1) establishes EEOC priorities; and 2) integrates EEOC's investigation, conciliation, and litigation responsibilities in the private and state and local government sectors; adjudicatory and oversight responsibilities in the federal sector; and research, policy development, and education and outreach activities;
- Rigorously and consistently implement charge and case management systems to focus resources and enforcement on agency priorities;
- Use administrative and litigation mechanisms to identify and attack discriminatory policies and other instances of systemic discrimination; and
- Use agency decisions and oversight activities to target discriminatory practices and policies in federal agencies.

The agency's strategies for remedying discriminatory practices and seeking equitable relief where discrimination has occurred will: 1) ensure that the remedies end discriminatory practices and deter future discrimination; and 2) provide meaningful relief to individual victims of discrimination.

The EEOC has developed Performance Measures 1 through 6 to track its progress in pursuing these strategies and Performance Measure 7 to track the progress of its state and local partners.

Strategic Enforcement Plan

PERFORMANCE MEASURE 1: By FY 2016, the EEOC develops, issues, implements, evaluates, and revises, as necessary, a Strategic Enforcement Plan.

	FY 2013
TARGET	The agency distributes implementation guidance for the Strategic Enforcement Plan. The agency begins to implement the Strategic Enforcement Plan. If required in the Strategic Enforcement Plan, District Offices and the Office of Federal Operations develop local and federal sector enforcement plans by March 29, 2013.
RESULT	The SEP was implemented; implementation guidance was developed and reviewed. The Federal Sector Complement Plan was approved on July 30, 2013. District Complement plans were delayed until 1st QTR 2014.
◆	**Target Partially Met***

* ◆ **Target(s) Partially Met:** A rating assigned to target results where (1) at least half of the activities targeted for completion were completed, or (2) EEOC was unable to assess the results because full year data was not yet available.

Under its first objective, the Strategic Plan directed the Commission to develop a Strategic Enforcement Plan (SEP), which was approved on December 17, 2012. The plan establishes priorities and integrates all components of EEOC's private, public, and federal sector enforcement. The purpose of the SEP is to focus and coordinate the EEOC's programs to have a sustainable impact in reducing and deterring discriminatory practices in the workplace.

The six SEP priorities are: 1) eliminating barriers in recruitment and hiring; 2) protecting immigrant, migrant and other vulnerable workers; 3) addressing emerging and developing issues; 4) enforcing equal pay laws; 5) preserving access to the legal system; and 6) preventing harassment through systemic enforcement and target outreach. Its implementation will ensure a targeted, concentrated, and deliberate effort to pursue priority issues and practices that significantly affect applicants, employees, and employers.

For FY 2013, the target for this measure was to distribute implementation guidance and begin implementation of the SEP. After Commission approval in December 2012, the agency began implementing the SEP, including releasing and developing the Strategic Enforcement Team recommendations, directing staff to incorporate the SEP priorities into their enforcement work, and developing a multi-year plan for reviewing and updating sub-regulatory guidance—i.e., a Sub-regulatory Plan. The Commission approved the Federal Sector Complement Plan (FCP) on July 30, 2013. The Chair extended the May 31 deadline for completion of the 15 District Complement Plans (DCPs), plus the Washington Field Office plan to allow for more time to coordinate the plans among offices and ensure consistency. The Committee of Advisors on Systemic Enforcement (CASE) submitted their recommendations for improving systemic enforcement to the Chair in June 2013. The State and Local Fair Employment Practices Agencies (FEPAs) Engagement Plan (FEPA Engagement Plan) to ensure that FEPAs are working with the EEOC to further the pursuit of SEP and DCP priorities was approved by the Chair in September 2013.

The agency also began work on several other plans and recommendations for improved integration and priority implementation required by the SEP, including the Communications and Outreach Plan and the Research and Data Plan.

The Communications and Outreach Plan is currently under development and is scheduled for approval by the Chair in FY 2014. The Research and Data Plan has been drafted and is targeted for Commission vote in FY 2014. Also underway is the SEP is the Federal Sector Organization Plan, which was not completed in FY 2013 to allow time for the Commission to contract with the Administrative Conference of the United States to conducted a study of the agency's organizational structure for the federal sector hearings program. Other key items, authorized by the SEP and completed in FY 2013, include the transfer of the EEOC's public website function in support of the agency's overall communications strategy, the adoption of quarterly reporting requirements to support SEP enforcement, and small changes to the delegation of litigation authority within the EEOC.

Quality Control Plan

PERFORMANCE MEASURE 2: By FY 2016, TBD% of investigations and conciliations meet the criteria established in the new Quality Control Plan.	
	FY 2013
TARGET	The agency develops a draft Quality Control Plan that establishes criteria to measure the quality of investigations and conciliations and develops a peer review assessment system. The Commission votes on a Quality Control Plan no later than February 28, 2013.
RESULT	A draft QCP and peer review assessment process were developed and are pending review and approval. A Commission vote is anticipated in 2nd QTR 2014.
◆	**Target Partially Met***

* ◆ **Target(s) Partially Met:** A rating assigned to target results where (1) at least half of the activities targeted for completion were completed, or (2) EEOC was unable to assess the results because full year data was not yet available.

Performance Measure 2 requires the EEOC to develop a draft Quality Control Plan (QCP) with appropriate criteria for measuring the quality of investigations and conciliations to impact the effectiveness and efficiency of the EEOC's investigations and conciliations. It also requires the agency to develop a peer review assessment system for evaluating the quality of the EEOC's investigations and conciliations to ensure that criteria established in the QCP are met, as directed by the EEOC's Strategic Plan for Fiscal Years 2012–2016.

To satisfy the Plan's requirements, the Chair convened a Quality Control Plan Working Group (QCPWG), headed by several senior agency officials, and a panel of advisory group members, comprised of EEOC front-line staff and managers, in December 2012. The goal of the QCPWG was to develop a draft QCP that would establish the necessary criteria and the peer review assessment system required for this measure in FY 2013. The Strategic Enforcement Plan (SEP) amended the deadline for voting on the QCP to April 30, 2013.

The work group began meeting in January 2013. In February, they requested written input for the development of the plan. See http://www.eeoc.gov/eeoc/newsroom/release/2–12–13.cfm. In March, the Commission held a public meeting featuring three roundtables of internal and external experts on the EEOC's investigatory process. See http://www.eeoc.gov/eeoc/meetings/3–20–13/index.cfm. In May, the work group requested public input on a set of principles for the QCP. See http://www.eeoc.gov/eeoc/newsroom/release/5–10–13c.cfm. The EEOC also welcomed a new Commissioner in May of 2013. To allow for additional Commission review and input by the full Commission, a vote by the Commission on the draft QCP was postponed until the second quarter of FY 2014. Approval by the Commission will permit EEOC to apply these criteria and the peer review assessment system to a statistically significant sample of investigations and conciliations in FY 2014—a necessary step prior to developing a baseline and projecting targets for improved quality standards that the agency will measure in FYs 2015 and 2016.

Case Management System

PERFORMANCE MEASURE 3: By FY 2016, 100% of federal sector case inventory is categorized according to a new case management system and TBD% of hearings and appeals meet the criteria established in the new federal sector Quality Control Plan.	
	FY 2013
TARGET	Develop categories for federal sector cases. Develop, pilot and implement new processes and technology, ensuring appropriate guidance, documentation, and staff training.
RESULT	Prepared a draft case categorization system and management proposal. Pilot period reevaluated and extended for six months through mid FY 2014. Implementation also delayed until FY 2014.
◆	**Target Partially Met***

* ◆ **Target(s) Partially Met:** A rating assigned to target results where (1) at least half of the activities targeted for completion were completed, or (2) EEOC was unable to assess the results because full year data was not yet available.

For FY 2013, Performance Measure 3 required the agency to develop a federal sector case management system and correspondingly to develop, pilot, and implement new processes and technology that ensures appropriate guidance, documentation, and staff training. In third quarter FY 2012, a Federal Sector Case Management Subgroup ("Subgroup") was established to implement this measure. The Subgroup, in consultation with the Office of Information Technology (OIT) that developed the requirements for implementing the case management system, prepared a draft case categorization and management proposal — including the requirements for modifying the federal sector components of the Commission's Integrated Mission System (IMS). With these modifications to IMS, program staff can identify and track those appeals that implicate Strategic Enforcement Plan/Federal Sector Complement Plan priorities, and classify appeals in a manner designed to better utilize resources consistent with the Commission's Strategic Plan and the federal sector priorities. Staff tested the appellate categories module in September 2013. Staff also developed guidance and training materials on the case management system so that the agency would be prepared to categorize appeals beginning at the start of FY 2014.

With regard to the federal hearings categories module in IMS, OIT completed the design and development of the hearings module based on the categorization requirements provided by the Subgroup in the third and fourth quarters of FY 2013. During this period, the agency identified the four offices that would pilot the hearings case management system and discussed how to best tailor the categorization process for those offices. Beginning in FY 2014, selected staff will test the module in advance of its release to the four hearings units targeted for piloting the new case management process for the hearings program and its general release to all hearings units.

The original estimate for the duration of the pilot period for the new case management system was scheduled for three months. The agency subsequently reevaluated that time frame and extended the period to six months in order to effectively pilot and evaluate the new case management process. A six month pilot would allow EEOC to assess the effectiveness of the categorization process and the initial conference requirement on both the overall movement of cases at the hearings and appellate levels and the proper allocation of resources to priority cases. The requirement for a longer pilot period, coupled with the need to modify and enhance the technological infrastructure necessary for an effective pilot and case management process meant that the goal for this measure would not be fully met in FY 2013. However, since the new case management process will be piloted in a number of Hearings units across the country, the agency will be

well positioned to identify the resources needed to fully implement the case management process across the country, including the staff support, equipment, and technology required in the future.

In furtherance of the requirement to pilot and implement new processes and technology, ensuring appropriate guidance, documentation and staff training under this measure, OIT completed the development of the appeals categorization module in FY 2013 and testing was successful. As a result, the agency will be fully implementing the appeals categorization module with all staff in FY 2014.

Systemic Cases

PERFORMANCE MEASURE 4: By FY 2016, TBD% of the cases on the agency's active litigation docket are systemic cases.	
	FY 2013
TARGET	Increase targets (i.e., the percentage of systemic cases on the active docket) to 18–21%.
RESULT	23.4%
☐	Target Exceeded

The FY 2013 target for Performance Measure 4 was to increase the percentage of systemic cases on the agency's litigation docket to approximately 18–21 percent of all active cases. Under the agency's Strategic Plan, systemic cases are defined as pattern or practice, policy, or class cases where the alleged discrimination has a broad impact on the industry, occupation, or geographic area. A baseline of 20 percent was established by the agency in FY 2012 because it represented the proportion of systemic cases on the active litigation docket at the end of the fiscal year. Utilizing the baseline, as well as a comprehensive review of historical suit filing and resolution trends, and systemic case development trends, the agency projected targets for performance through FY 2016. By FY 2016, the agency projects that 22–24 percent of cases on the EEOC's active litigation docket will be systemic cases by FY 2016. In FY 2013, the agency reported that 54 out of 231, or 23.4 percent, of the cases on its litigation docket were systemic, exceeding the annual target.

Federal Sector Workforce Analysis

PERFORMANCE MEASURE 5: By FY 2016, the EEOC uses an integrated data system to identify potentially discriminatory policies or practices in federal agencies and has issued and evaluated TBD number of compliance plans to address areas of concern.	
	FY 2013
TARGET	Create and implement a data system of complaint, hearing, and statistical employee data in order to establish priorities in the federal sector.
RESULT	Designed and implemented several data capture/reporting sources to be used in the new online data system. Time line for development of a fully operational, online registration platform extended through FY 2014.
◆	Target Partially Met*

* ◆ **Target(s) Partially Met:** A rating assigned to target results where (1) at least half of the activities targeted for completion were completed, or (2) EEOC was unable to assess the results because full year data was not yet available.

The Federal Government is the largest employer in the United States. Therefore, reducing unlawful employment discrimination in the federal sector is an integral part of achieving Strategic Objective I and fulfilling the mission of the agency. The FY 2013 target for Performance Measure 5 was to create and implement a data system of complaint, hearing, and statistical employee data in order to establish priorities in the federal sector; i.e., an integrated data system that can identify discriminatory policies or practices in those agencies and help set priorities for the prevention of discrimination in the Federal government.

In an effort to meet all the requirements of this measure, the agency began to develop the requisite data systems in FY 2012, including the technological requirements for developing an online database. Timely performance of this measure depended on developing a fully operational, online registration platform in the Federal Sector EEO Portal (FedSEP), which is necessary to collect the required MD–715 and Form 462 data. (Note: EEOC's Management Directive 715 or MD–715 (effective October 1, 2003), provides policy guidance and standards for establishing and maintaining effective affirmative programs of equal employment opportunity under Section 717 of Title VII (PART A) and effective affirmative action programs under Section 501 of the Rehabilitation Act (PART B). Form 462, allows Federal agency administrators to enter complaints processing data for the Annual Federal Equal Employment Opportunity Statistical Report of Discrimination Complaints on EEOC's Form 462 website.)

During FY 2013, the agency successfully designed and implemented the Federal Sector EEO Portal (FedSEP) to capture MD–715 data. The EEOC also successfully modified FedSEP to collect the Form 462 data for implementation during the October reporting cycle. However, due to staffing and resource-related considerations, it was determined that the hearings and appeals data necessary for this online database would not be captured in FedSEP until FY 2014. As a result, it is possible that the subsequent targets projected through FY 2016 may need to be modified to reflect the new completion date for development of a fully operational registration platform.

Administrative and Legal Resolutions with Targeted Relief

PERFORMANCE MEASURE 6: By FY 2016, a TBD% of the EEOC's administrative and legal resolutions contain targeted, equitable relief.

	FY 2013
TARGET	Collect data on the percentage of administrative and legal resolutions currently containing targeted, equitable relief. Establish baseline of existing targeted, equitable relief in resolutions and project future targets for different types of targeted, equitable relief.
RESULT	Designed and implemented enhancements to IMS to collect TER data. Established a baseline of 64% resolutions achieved with TER, and projected targets through 2016.
☐	**Target Met**

The FY 2013 target for Performance Measure 6 was to collect data on the percentage of administrative and legal resolutions currently containing targeted, equitable relief (TER). Targeted, equitable relief means any non-monetary and non-generic relief (other than the posting of notices in the workplace about the case and its resolution), which explicitly addresses the discriminatory employment practices at issue in the case, and which provides remedies to the aggrieved individuals or prevents similar violations in the future. In addition, the agency was required to establish a baseline of existing resolutions containing TER in order to project future targets for different types of TER.

To meet the FY 2013 goal, the EEOC enhanced its Integrated Mission System (IMS) database to collect data and generate reports on resolutions with different types of TER. In addition, the agency developed guidance for determining which types of relief qualified as TER and conducted comprehensive i-Seminars to train staff on this new TER feature. The IMS enhancements to the Private—EEOC component were implemented and available in January 2013. Based on TER data captured in IMS during the fiscal year, the agency formulated a baseline of 64 percent of resolutions containing TER in FY 2013. The agency also developed a range of future targets for TER through FY 2016 to include: an increase in resolutions with TER to 63%–67% in FY 2014; 64%–68% in FY 2015; and 65%–70% in FY 2016.

FEPA Resolutions with Targeted Relief

PERFORMANCE MEASURE 7: By FY 2016, a TBD% of resolutions by FEPAs contain targeted, equitable relief.	
	FY 2013
TARGET	Collects data from FEPAs, establishes baseline of existing targeted, equitable relief in resolutions and project future targets for different types of targeted equitable relief.
RESULT	Designed and implemented enhancements to IMS to collect TER data from FEPAs. Established a baseline of 14% FEPA resolutions achieved with TER, and projected targets through 2016.
☐	**Target Met**

The FY 2013 target for Performance Measure 7 was to identify, design, and implement, in accord with the state and local Fair Employment Practices Agencies (FEPAs), a new reporting process for determining what percentage of FEPA resolutions contain targeted, equitable relief (TER). Based on input from its FEPA partners, the agency developed content for OIT to use in the data collection plan for TER and related reporting for both FEPAs and the EEOC. The design for the reporting process was developed with an eye toward consistency within the Integrated Mission System (IMS) for recording TER data. These IMS enhancements to the Private–FEPA component were implemented and made available in January 2013.

The agency conducted comprehensive i-Seminars on TER enhancements for over 168 FEPA staff, and provided all FEPA partners the instructional tools to train staff on this new TER feature. FEPA agencies were also provided a link to a recorded version of the training for their staff who could not attend one of the designated, live i-Seminars. The agency reached out to the FEPAs that utilize a data system separate from IMS to ensure that their benefits data could be recorded as TER data when it is transferred to EEOC's IMS.

Based on TER data captured in IMS by the reporting FEPAs, the agency determined that the baseline percentage of merit factor resolutions containing TER for FY 2013 was 14 percent. In addition, the agency developed a range of future targets for TER through FY 2016 to include: an increase in FEPA resolutions with TER to 13%–15% in FY 2014; 14%–16% in FY 2015; and 15%–17% in FY 2016. (Baseline percentages established under Performance Measure 7 for FEPAs are different from Performance Measure 6 for EEOC because the charge processing systems among the numerous FEPAs with whom the EEOC have work-sharing agreements do not uniformly match the EEOC's charge processing system. This distinction was articulated and discussed in depth during the FY 2012 EEOC-FEPA Conference. In particular, FEPA representatives noted that because of their different charge processing systems the measure of TER should include those cases resolved at any stage during their charge process and not only for those cases where reasonable cause had been found. Consequently, the data collected from the FEPAs considers merit factor resolutions that includes

successful conciliations (resulting from the parties agreeing to settlement after the agency has found a violation), negotiated settlements (obtained prior to the agency's reaching a final determination), and those settlements resulting from mutual agreement between the parties and the Charging Party to request a withdrawal of the charge in lieu of receiving a final determination on the merits of the charge.

STRATEGIC OBJECTIVE II:
Prevent employment discrimination through education and outreach.

In FY 2013, we continued our robust outreach program to meet the needs of diverse audiences across the Nation. The EEOC partnered with the employer community, colleges and universities, advocacy groups, immigrant and farm worker communities, governmental entities, and other stakeholders to foster strategies to recognize and prevent discrimination in the workplace.

Under Strategic Objective II of the Plan, the agency established the following outcome goals: 1) members of the public understand and know how to exercise their right to employment free of discrimination; and 2) employers, unions, and employment agencies (covered entities) better address and resolve EEO issues, thereby creating more inclusive workplaces.

The three strategies for achieving the goals of Strategic Objective II can be summarized as follows:

- Target outreach to vulnerable workers and underserved communities;
- Target outreach to small and new businesses; and
- Provide up-to-date and accessible guidance on the requirements of employment antidiscrimination laws.

Performance Measures 8 through 11 were developed to track our progress in pursuing these strategies.

Vulnerable and Underserved Communities

PERFORMANCE MEASURE 8: By FY 2016, the EEOC is maintaining TBD significant partnerships with organizations that represent vulnerable workers and/or underserved communities.

	FY 2013
TARGET	The number of significant partnerships with organizations that represent vulnerable workers and/or underserved communities increases by 10%, nationally, or to 99.
RESULT	Guidance was issued to District Offices including approaches to identifying partners and activities, and reporting on results. The number of significant partnerships increased to 102.
☐	**Target Exceeded**

Performance Measures 8 and 9 focus on rewarding and encouraging interactive and sustained partnerships with community organizations and businesses that are in the communities we are trying to reach. For these two measures, the agency defined "significant partnerships" as an interactive and sustained relationship with an organization, community group, advocacy group, etc., that represents or serves vulnerable or underserved communities and enhances EEOC's ability to reach those communities.

The baseline established in FY 2012 identified approximately 90 significant partnerships within the vulnerable worker and underserved communities for Performance Measure 8. The FY 2013 target for this measure was to increase the number of significant partnerships with organizations that represent vulnerable workers and/or underserved communities by 10 percent, nationally over the 2012 baseline, or to 99 total partnerships. In January 2013, the agency scheduled individual discussions with each office planning to increase their partnership representation in 2013. Discussions held during January and February 2013 with district directors and program analysts provided guidance on how to maximize outreach efforts and partnership development strategies within the vulnerable worker and/or underserved communities that EEOC supports.

Throughout the fiscal year, the agency used monthly outreach submissions from each district, as well as district descriptions of their relationships with various organizations, to make two key assessments. First, whether the partnerships that were used to create the baseline, were still viable under the Plan—determining whether outreach events, training, planning sessions or other activities occurred during FY 2013 to warrant keeping baseline partnerships on the list or whether certain partnerships should be removed. (During the year, there were four instances where baseline partnerships were removed due to circumstances not within the control of the EEOC. However, in each instance, other partnerships that met the "significant" definition were added; keeping the baseline number intact.) Second, whether the submissions from the districts with newly added organizations met the "significant" threshold in FY 2013 for purposes of this measure. As a result, the number of partnerships increased by 12 (or 13 percent), making the current total number of significant partnerships 102 for FY 2013.

Small and New Businesses

PERFORMANCE MEASURE 9: By FY 2016, the EEOC is maintaining TBD significant partnerships with organizations that represent small or new business (or with businesses directly).	
	FY 2013
TARGET	The number of significant partnerships with organizations that represent small or new businesses (or with businesses directly) increases by 10%, nationally, or to 78.
RESULT	Guidance was issued to District Offices including approaches to identifying partners and activities, and reporting on results. The number of significant partnerships increased to 81.
☐	**Target Exceeded**

In FY 2012, the agency established a baseline of approximately 71 significant partnerships with organizations that represent small and new businesses (or with businesses directly), which contributes to the agency's objective of preventing employment discrimination through education and outreach to employers, The FY 2013 target for this measure was to increase the number of significant partnerships with organizations that represent small or new business communities (or with businesses directly) by 10 percent, nationally over the 2012 baseline, or to 78 total partnerships. Concurrent with the January 2013 notification issued by the agency for the previous measure, discussions were also held in January and February 2013 with district directors and program analysts on how to maximize outreach efforts and partnership development strategies within the small and new business communities. Guidance was issued to District Offices that included approaches for identifying potential partners and outreach activities, as well as methods for reporting results for both Performance Measures 8 and 9.

Throughout the fiscal year, the agency employed the same methodology for assessing whether: 1) the baseline partnerships were still viable; and 2) the new partnerships were considered "significant" for purposes of this measure, as were applied to Performance Measure 8, above. As a result, the number of partnerships increased by 10 (or 14 percent), making the current total number of significant partnerships 81 for FY 2013.

Social Media Plan

PERFORMANCE MEASURE 10: By FY 2013, the EEOC implements a social media plan.

	FY 2013
TARGET	Implement the social media plan.
RESULT	Began implementing the social media plan.
◆	Target Partially Met*

* ◆ **Target(s) Partially Met:** A rating assigned to target results where (1) at least half of the activities targeted for completion were completed, or (2) EEOC was unable to assess the results because full year data was not yet available.

Performance Measure 10 ensures that the agency moves into the 21st century through the utilization of social media technologies to reach the EEOC's customers.

The social media plan will build upon existing efforts to make the content on the agency's Web site more accessible and user-friendly. It will foster better use of the internet and other technology in the private and state and local government sectors and the federal sector charge processes. It will use multiple forms of social media platforms and educational content appropriate for each platform, with the goal of informing users about their rights and responsibilities under the laws the agency enforces. Ideally, the plan will drive our customers to the agency's Web site for more information. It will also ensure that the agency's social media strategies are consistent with the Strategic Enforcement Plan and other administrative priorities and appropriate directives.

The FY 2013 target for Performance Measure 10 was to implement the agency's social media plan, including the adoption of the agency's social media guidelines and instituting a YouTube channel (YouTube.com/theeeoc) that is regularly updated. Twitter accounts were institutionalized in both Spanish and English that have reached 2,760 Twitter followers of @EEOCNews and where the EEOC has transmitted 1,638 tweets. As of January 2013, the agency started a new Spanish-language Twitter feed @EEOCespanol, which now has 164 followers, and the EEOC has transmitted 1,605 tweets. In addition, the agency began implementing the social media guidelines, first by piloting them internally to determine how they would operate and what rules would need to be adjusted/developed based on EEOC's use. It was determined during the pilot phase, for example, that the agency needed to develop submission guidelines for the YouTube channel to ensure consistency and transparency in the decision-making process governing what content to post.

The EEOC is currently developing the agency's Communications and Outreach Plan, as identified in the Strategic Enforcement Plan, which will incorporate the agency's social media policy and the mechanism for its implementation. Further research is being conducted to assess what social media accounts are currently used by EEOC's program offices and how best to use social media to advance the agency's legislative work (i.e., how to expand our digital reach). Finally, the agency convened the Communications Content Committee (C^3), a group of key program offices to help strategically manage and develop content for the EEOC web site that can be subsequently used for any social media platform developed by the agency.

Sub-Regulatory Guidance Review and Revision

PERFORMANCE MEASURE 11: The EEOC reviews, updates, and/or augments with plain language materials its sub-regulatory guidance, as necessary.	
	FY 2013
TARGET	Consistent with Commission priorities, submit at least two plain language revisions of substantive policy documents to replace at least two other outdated guidance documents.
RESULT	Twelve documents were submitted to the Office of the Chair for consideration.
☐	**Target Exceeded**

Performance Measure 11 ensures that the EEOC's sub-regulatory guidance and documents are reviewed and that, where necessary, they are updated and accompanied by plain language text. The agency's enforcement work in the private sector, its adjudicatory and oversight work in the federal sector, and its outreach and education work all depend on the availability of up-to-date and accessible materials explaining the laws it enforces and how to comply with those laws. While the regulations the EEOC issues set the basic legal framework for the implementation of those laws, sub-regulatory materials, including the EEOC Compliance Manual, provide more tangible assistance to those with rights and responsibilities under such laws.

During the fiscal year, the agency exceeded that target for performance under this measure by submitting 12 documents to the Office of the Chair (OCH) for review and consideration. On October 12, 2013, the Commission issued *"The Application of Title VII and the ADA to Applicants or Employees who Experience Domestic or Dating Violence, Sexual Assault, or Stalking,"* to address how Title VII and the ADA may apply to employees. A draft technical assistance document on *Online Recruitment and Screening* was submitted to OCH on January 18, 2013. Two documents on Reasonable Accommodations for Employees with Mental Health Conditions (for providers and individuals) were submitted for consideration to OCH and the provider document, *"The Mental Health Provider's Role in Client's Request for a Reasonable Accommodation at Work,"* was issued on May 1, 2013.

Four revisions to the American with Disabilities Act (ADA) Questions and Answers Series were issued on May 15, 2013. Two final rules: 1) *The Availability of [FOIA] Records* was issued on June 19, 2013, and 2) *Correcting Procedural Regulations*, was issued on September 6, 2013. Finally, two technical assistance documents on background checks—developed jointly with the Federal Trade Commission were submitted for review and both documents have been approved for issuance by both agencies. In all, 12 substantive policy and/or sub-regulatory documents were submitted to OCH in FY 2013—a substantial increase over the annual goal.

STRATEGIC OBJECTIVE III: Deliver Excellent and Consistent Service through a Skilled and Diverse Workforce and Effective Systems.

The intent of this objective is to ensure that the EEOC delivers excellent and consistent service through its efforts to support a skilled workforce while deploying effective systems—many of which service the public directly. Effective customer service and operating systems can positively influence the general public's understanding of the Commission's ability to address their employment discrimination concerns in the workplace. As a result, this measure was designed to focus on issues regarding staff and infrastructure, which are mission critical components of any successful organization.

The ultimate benefit is that all interactions with the public are timely, of high quality, and informative. As noted in Strategic Objective I, it is a significant agency priority to enhance the timeliness and ensure the continued quality of enforcement activities in the private, state and local government, and federal sectors. However, the EEOC must also invest in the people who carry out the agency's mission on a daily basis. To meet the evolving needs of the modern workplace and any changes in EEO law interpretation, it is necessary to invest adequately in workforce development and planning. Because all employees benefit with a diverse workforce in federal government, the EEOC must serve not only as an example to other private, state and local government, and federal employers, but should reflect the populations it serves. Finally, to improve the agency's customer service, the EEOC must ensure the effectiveness of its systems by leveraging technology to streamline, standardize, and expedite its critical functions.

To these ends, the Commission developed three strategies for achieving Strategic Objective III:

- Effectively engage in workforce development and planning, including identifying, cultivating, and sustaining a skilled and diverse workforce;
- Rigorously and consistently implement charge and case management systems to deliver excellent and consistent service; and
- Use innovative technology to facilitate responsive interactions and streamline agency processes.

For this Objective, EEOC has adopted Performance Measures 12 and 13 to support and monitor the agency's progress toward our FY 2016 targets.

Workforce Quality, Diversity, and Skills

PERFORMANCE MEASURE 12: The EEOC strengthens the skills and improves the diversity of its workforce.		
		FY 2013
TARGET (a)	Number of employees with disabilities.	413
RESULT		332
◉	**Target Not Met***	

PERFORMANCE MEASURE 12: The EEOC strengthens the skills and improves the diversity of its workforce.		
		FY 2013
TARGET (b)	Number of employees with targeted disabilities.	90
RESULT		56
◉	**Target Not Met***	
		FY 2013
TARGET (c)	Percentage of hires made within 78 days.	50%
RESULT		52%
☐	**Target Exceeded**	
◆	**Overall Targets Partially Met***	

* ◆ **Target(s) Partially Met:** A rating assigned to target results where (1) at least half of the activities targeted for completion were completed, or (2) EEOC was unable to assess the results because full year data was not yet available.

The FY 2013 target for Performance Measure 12, Subpart (a) was to increase the number of persons hired with disabilities by 20 percent of EEOC's workforce over 5 years, or at least 29 disabled employees each year over the FY 2012 target of 384 employees with disabilities to 413 total. Successful performance under Subpart (b) was to increase the number of employees with targeted disabilities by 5 percent, or at least 11 individuals each year over the FY 2012 target of 79 employees with targeted disabilities to 90 total. And finally, Subpart (c) required the agency to improve and streamline the hiring process to increase the percentage of hires made within 78 days to 50 percent of all hires made in FY 2013.

In FY 2013, the agency only partially met its targets for Performance Measure 12. Overall hiring and recruitment during the year was affected by a continuing hiring freeze, which impacted the agency's ability to increase the number of employees hired with disabilities or targeted disabilities under Subparts (a) and (b). In fact, 28 persons with disabilities separated from the agency during this performance period. The limited hiring factor and correlating numbers of retirements of employees with disabilities in FY 2013 resulted in a decrease in the number of employees with disabilities and targeted disabilities hired since the establishment of the FY 2011 baselines for both employee groups. However, the agency has exceeded its FY 2013 target of 50 percent of employees hired under Subpart (c), by increasing the percentage of hires made within 78 days to 52 percent of timely hires made in FY 2013.

Due to the limited number of external hires that were authorized in FY 2013, meeting the targeted outcomes continues to be a challenge. Nevertheless, the Disability Program Manager will continue to work to encourage hiring officials to select employees with disabilities as the agency begins the hiring process in the new fiscal year, and to manage the Schedule A applicants who are referred to the agency through the Office of Personnel Management's (OPM) Selective Placement Coordinators website advertisements.

The Human Capital Goals for FY 2013, as identified in the agency's Human Capital Management Report submitted to OPM in February 2013 were:

1. **Workforce planning**—enhance the EEOC's ability to plan further into the future and better integrate FTE's, budget, and workload metrics into the planning process.
2. **Performance management**—redesign the current non-SES performance management program to foster a high performance culture, encourage clear expectations and continuous feedback; differentiate high, satisfactory and poor performers in a clear and meaningful way and align employee performance with the agency's Strategic Plan, including the Quality Control Plan.
3. **Diverse and Inclusive Workforce**—enhance the agency's ability to attract, hire, and retain highly skilled and highly motivated staff.

In FY 2013, the Workforce Planning Workgroup implemented the agency's workforce plan goals by utilizing workforce data to assist leadership in human resources decision making, closing competency gaps, and projecting future human capital needs of the agency.

In the area of performance management, the EEOC has hired an experienced consultant to facilitate the development of performance plans and standards in FY 2014, and purchased a talent management tool for supervisors and their employees to use as a platform to implement and operate the performance management system. During FY 2013, competencies for support positions in the agency's mission-critical occupations were identified. As the new system is developed, additional competencies will be established in FY 2014 for the remaining positions within the agency. The new system will also serve as a tool for supervisors and employees to use in closing competency gaps. The long-term goal is to create a performance culture that helps the EEOC become a high performing agency.

By leveraging diversity and promoting inclusion, the EEOC moves closer to achieving its mission of "stopping and remedying unlawful employment discrimination" and the vision of "justice and equality in the workplace." In compliance with Executive Order 13583, "Establishing a Coordinated Government-wide Initiative to Promote Diversity and Inclusion in the Federal Workforce," the EEOC developed a Diversity and Inclusion Strategic Plan (the "D&I Strategic Plan") and a policy statement, which were issued agency wide in the second quarter of FY 2013. To help implement the action items in the D&I Strategic Plan, the EEOC convened a Diversity and Inclusion Council. Several Headquarters' offices worked jointly on the Diversity & Inclusion Work plan that, along with the Diversity Council Charter, will guide the work of the Council. These efforts are expected to continue through at least FY 2014. In addition, the EEOC committed funds to provide training for the Council and the agency employees during the third and fourth quarters of FY 2013.

The agency will continue to work with OPM and the Office of Management and Budget in implementing Executive Order 13583, including reviewing executive agency plans and working to reconcile the Presidential Administration's diversity and inclusion efforts with the EEOC's Management Directive 715 requirements. (See Management Directive 715, Equal Employment Opportunity Commission (Oct. 2003), http://www.eeoc.gov/federal/directives/md715.cfm).

Charge Process Responsiveness

PERFORMANCE MEASURE 13: The EEOC improves the private sector charge process to streamline services and increase responsiveness to customers throughout the process.	
	FY 2013
TARGET	Develop, pilot and implement new processes and technology in a phased and iterative manner, ensuring appropriate guidance, documentation and staff training.
RESULT	The EEOC developed several new processes and previewed new technology for the Online Intake and Milestones Projects. Project pilots have been delayed until FY 2014.
◆	**Target Partially Met***

* ◆ **Target(s) Partially Met:** A rating assigned to target results where (1) at least half of the activities targeted for completion were completed, or (2) EEOC was unable to assess the results because full year data was not yet available.

Performance Measure 13 requires the agency to leverage technology to improve the private and state and local government sectors charge process, including streamlining services and increasing responsiveness to customers throughout the process. Included among these initiatives are: 1) developing an on-line system that will allow potential charging parties to submit a pre-charge inquiry for review; 2) providing on-line scheduling of appointments for intake interviews (via on-site meetings, web cams, and/or teleconference); 3) providing charging parties on-line access to check the status of their charge; and 4) streamlining the intake process through automated workflow and data analysis. These technology developments are referred to as the Online Intake Redesign and e-Charge Milestones Status Projects. A fifth initiative, which will in future years be applied to the private and state and local sectors, will establish a secure portal for electronic transmittal and the receipt of charge-related documents.

For FY 2013, the target for this measure was to develop, pilot, and implement the new online intake and milestone systems, processes, and technology proposed for development in FY 2012, including any provisions for guidance, documentation and staff training. Although the Online Intake and Milestones Workgroups spent significant time and effort to reach this target, budgetary constraints limited funds available to fully meet the 2013 targets for Performance Measure 13. Nonetheless, the Workgroups continued to the point where the acquisition of developers was necessary to move the project forward. To that end, the Workgroups achieved the following.

Online Intake: During the first quarter of 2013, the workgroup continued its discussion of the Online Inquiry User Stories; focusing on "spikes," which identify stories where additional information is needed before "acceptance criteria" can be developed. The team also identified "epic user stories," those that need to be broken down into more concise requirements before acceptance criteria can be drafted. The team spent significant time crafting the acceptance criteria for the Informational Self-Screening User Stories, as well as classifying and categorizing the user stories based on anticipated customer satisfaction.

Another level of development created a Process Flow for the acceptance criteria. The Process Flow Chart places each aspect of the Informational Self-Screening Component in a particular order to provide essential information on EEOC's jurisdiction to the potential charging party as early as possible. This process flow enables potential charging parties to understand whether their claims are within EEOC's jurisdiction and quickly choose whether to continue. The flow chart also refines the acceptance criteria and helps assess whether each feature will deliver as intended. Finally, the Work-

group focused on the "Scheduling an Intake Interview Online" component of the project, beginning with the acceptance criteria. The team reviewed the draft "functional" requirements, which describe the specific functions needed for the system to operate as planned.

Milestones Project: The Milestones Workgroup completed the User Stories, Kano Analyses and Prioritization needed to launch the design phase through the Agile Sprints, along with key User Acceptance Criteria. The Milestone Workgroup jointly participated in the i-Class session with the Online Intake Group on the application of the Agile methodology that is being used to manage this process. Further developments by this Workgroup were contingent upon funding for Agile contract developers, which were requested and approved by the Commission in the fourth quarter of FY 2013. The funding approval for technology support for Performance Measure 13 included the acquisition of a web-based online scheduling tool and associated professional services, as well as the acquisition of a web-based portal, application, and associated professional services.

Budgetary Resource Alignment

PERFORMANCE MEASURE 14: The EEOC's budgetary resources for FY 2014–2017 align with the Strategic Plan.

	FY 2013
TARGET	Prepare EEOC's FY 2015 Performance (OMB) Budget that aligns resources with the Strategic Plan. Prepare EEOC's FY 2014 Congressional Budget.
RESULT	The FY 2014 CBJ was timely submitted to Congress on April 10, 2013. In addition, the FY 2015 Performance Budget was aligned with the agency's Strategic Plan and was submitted to OMB on September 6, 2013
☐	**Target Met**

As a fundamental objective, budgets should adequately fund priority programs, grow such programs to reflect the agency's priorities, and protect against diminution when budgets are reduced. Under the Chair's direction, annual budget submissions from each program office were scrutinized to ensure that agency resources would implement the strategies and goals of the Commission.

The FY 2013 target for Performance Measure 14 was to prepare EEOC's Fiscal Year 2014 Congressional Budget Justification (CBJ) and EEOC's Fiscal Year 2015 Performance (OMB) Budget that aligns with the agency's Strategic Plan for Fiscal Years 2012–2016. As part of the annual budget formulation cycle, EEOC's Fiscal Year 2014 CBJ was timely submitted to Congress on April 10, 2013. The Fiscal Year 2015 Performance Budget was completed and timely submitted to OMB in advance of the deadline on September 6, 2013.

Related Program Results and Activities

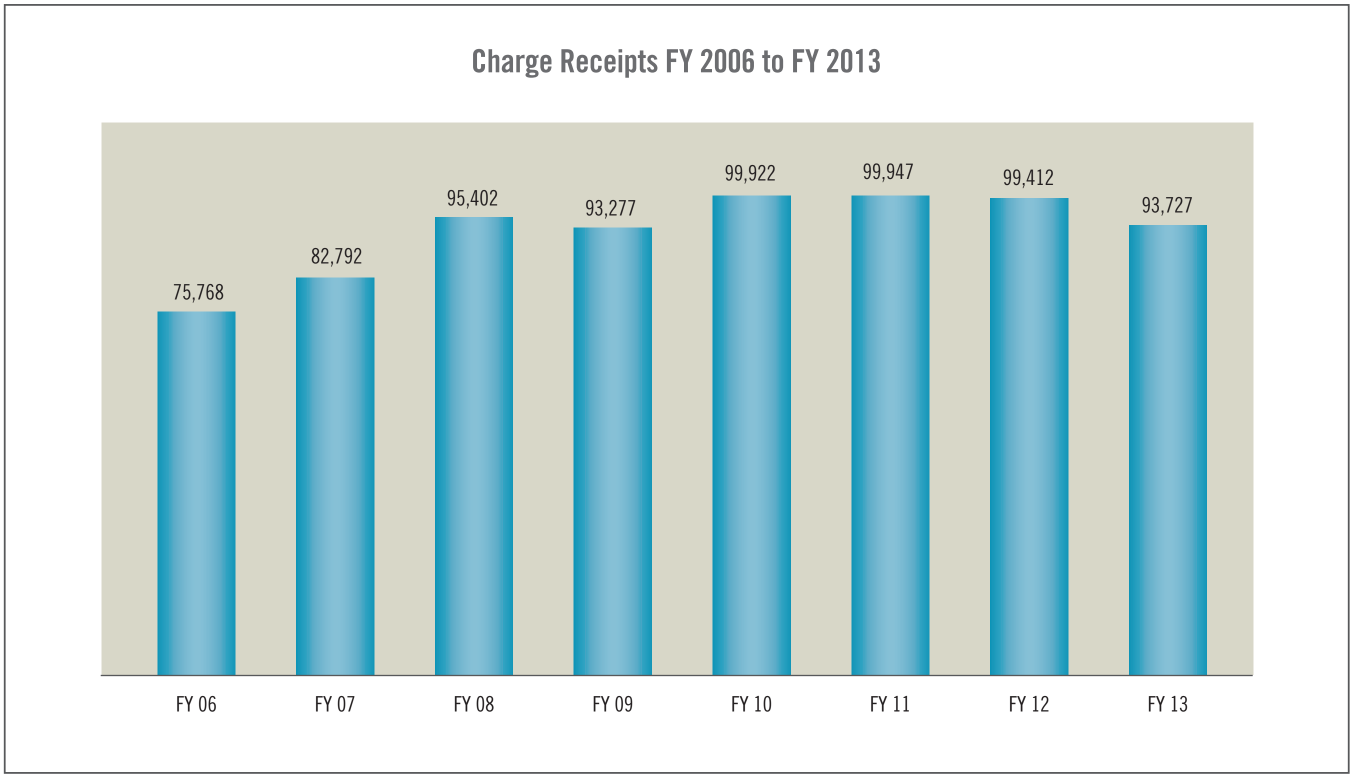
Serving the Public More Efficiently

Managing Charge Inventory

In concert with the goals established in the Strategic Plan is the need to serve the public efficiently. Managing the agency's charge inventory is part of that obligation. In FY 2010, Chair Jacqueline Berrien initiated a multi-year approach of sustained management attention to reverse the growth of the private sector charge inventory. As a result, the EEOC reduced its private sector inventory by nearly 20 percent from FY 2010 through FY 2012—the first decreases in nearly a decade.

Despite the impact of sequestration and limited resources, the EEOC was able to keep the increase to the private sector inventory to 469 charges. In FY 2013, the EEOC received 93,727 charges. This is approximately a 6,000 charge decrease from the prior three fiscal years; however it is still one of the top five fiscal years in terms of receipts. In addition, a total of 97,252 charges were resolved in FY 2013, a drop of nearly 14,000. While this is a significant decrease in resolutions, it is also a remarkable achievement given the decline in staffing and resources the agency faced in FY 2013.

The average processing time to resolve charges dropped by 21 days to 267 days. By improving the timeliness of charge resolution and the EEOC's customer service efforts, these results better position the agency for FY 2014. However, further gains may be tempered by the continuing hiring freeze and repercussions from the Government shutdown.



Improving the Private Sector Charge Process

As part of the President's Open Government initiative and consistent with the Strategic Plan for Fiscal Years 2012–2016, the agency is implementing a charge processing milestone project to provide parties with an on-line tool for determining the status of their charge, while reducing the number of calls and related administrative/investigative time spent on responding to these types of calls and emails. Additionally, the agency, through an intake technology streamlining plan, is working to create a comprehensive web interface that will aid both investigators and prospective charging parties, as well as improve the process from the first public contact with the agency through the formalization of a charge. This will include on-line scheduling of appointments for intake interviews via on-site meetings, web cams, and teleconference. During FY 2013, EEOC completed requirements and high-level technical designs for these two customer-facing applications; however related acquisitions and development were put on hold due to resource limitations.

Mediation Program is a Win for both Employees and Employers

The EEOC's mediation program has continued to be a very successful part of our enforcement operations and is an integral part of the agency's work pursuant to the Strategic Plan. In FY 2013, the EEOC's private sector national mediation program secured a total of 8,890 mediated resolutions out of a total of 11,513 conducted. The EEOC obtained more than $160.9 million in monetary benefits for complainants through mediation resolutions, which was the second highest level in the agency's mediation program's history.

Participants almost uniformly view the mediation program favorably, with 96.6 percent reporting confidence in the program this year. As a result, the agency continues to focus efforts on increasing the use of the program, where appropriate and consistent with the agency's mission. The agency encourages the employer community to enter into Universal Agreements to Mediate (UAMs). These agreements reflect employers' commitment to participate in mediation. At the conclusion of FY 2013, the agency had secured a cumulative multi-year total of 2,203 UAMs, which is a 3 percent increase from FY 2012.

Efficiently Adjudicating Federal Sector Hearings and Appeals

In the federal sector, the Commission has authority to hold hearings on complaints of discrimination by federal employees and applicants, and to adjudicate appeals of decisions on such claims. In FY 2013, the EEOC secured more than $56.3 million in relief for federal employees and applicants who requested hearings. Additionally, the Commission's hearings program resolved a total of 6,789 complaints, and the number of requests for hearings on federal sector complaints slightly decreased to 7,077 in FY 2013 compared to 7,728 in FY 2012.

The EEOC designed, developed, and implemented the new case management system for federal sector cases as required by Performance Measure 3 of the Strategic Plan. The Federal Sector Strategic Planning Group (FSSPG), comprised of field and headquarters staff from both the Hearings and Appeals functions, drafted a case categorization and management proposal that was approved by the Office of the Chair in FY 2013. In consultation with the Office of Information Technology (OIT), the FSSPG developed the requirements for modifying the federal sector components of the Commission's Integrated Mission System (IMS). With modifications to IMS, the EEOC federal sector staff can identify and track those cases that implicate SEP/FCP priorities, and classify cases to better allocate resources consistent with the Commission's Strategic Plan. EEOC developed guidance and training materials on the case management system so that staff is prepared to categorize appeals beginning at the start of FY 2014.

The Commission also adjudicates appeals of federal agency actions on discrimination complaints, and ensures agency compliance with decisions issued on those appeals. During FY 2013, the EEOC received 4,244 appeals of final agency actions in the federal sector, a 2.4 percent decrease from the 4,350 such appeals received in FY 2012. FY 2013 was the second full year in which the EEOC applied a more balanced approach to the resolution of the newest and oldest appeals. The agency resolved 4,361 appeals, including 47.9 percent of them within 180 days of their receipt. In addition, the Commission resolved 2,320 or 73.3 percent of 3,165 appeals that were already, or would become, 500 or more days old by the end of the fiscal year. As a result of these efforts, the EEOC reduced the pending aged inventory by 5.6 percent (2,988) from FY 2012 (3,165). The agency achieved these results by leveraging technology and successfully managing the appellate inventory.

The EEOC continued its focus on expanding the use of technology to make the federal hearings and appeals process faster and more effective. During FY 2013, the EEOC File Exchange (EFX) system is being used by all Commission Hearings Offices and the Office of Federal Operations, which are receiving Report of Investigations (ROIs) through the EFX portal and agency appellate files. The primary goal of electronic case processing via EFX is to create a paperless case processing system that permits web-based electronic filing and case tracking capability. The EFX system allows parties to submit documents such as ROIs, motions, and responses, through a web-based portal. Similarly, AJs will be able to issue orders and decisions through this portal. Finally, when the system is fully operational, all parties will be able to track the receipt of their submissions and obtain the status of their case via the web-based EFX portal. Phase One of the pilot requires these agencies to submit the ROI through the EFX portal. As of the end of FY 2013, 59 agencies and 89 sub-agencies are submitting files electronically through the EFX system. The number of electronically submitted files increased by 122 percent in FY 2013 from 9,000 files in FY 2012 to over 20,000 in FY 2013, as the user community grew from 300 users to 1,250 users. Phase II of the EFX pilot has been placed on hold due to budgetary constraints and shifting priorities.

Enforcing the Law More Effectively

Historic Monetary Recovery through Administrative Enforcement

In FY 2013, the EEOC secured $372.1 million in monetary benefits through its private sector administrative enforcement activities, the highest level of monetary relief ever obtained by the Commission through more than 17,600 merit factor resolutions. Overall, the agency secured both monetary and non-monetary benefits for more than 70,522 people through administrative enforcement activities—mediation, settlements, conciliations, and withdrawals with benefits. Of particular note was the high number of charges resolved through successful conciliations, with 1,437 in FY 2013, which reflects an emphasis on even closer consultation between the Commission's investigators and attorneys.

Challenging Discrimination in Federal Court

In FY 2013, the EEOC field legal units filed 131 merits lawsuits including 89 individual suits, 21 non-systemic class suits, and 21 systemic suits. "Merits" lawsuits include direct suits and interventions alleging violations of the substantive provisions of the statutes enforced by the Commission and suits to enforce administrative settlements. Of these new filings, 78 contained Title VII claims, 51 contained Americans with Disability Act (ADA) claims, 7 contained Age Discrimination in Employment Act (ADEA) claims, 5 contained Equal Pay Act (EPA) claims, and 3 contained Genetic Information Non-Discrimination Act (GINA) claims. (The total number of merits lawsuits is less than the sum of the suits based on each individual statute because some suits are filed under multiple statutes.) The Commission also filed 17 subpoena enforcement and other actions. At the end of FY 2013, the EEOC had 231 cases on its active district court docket, of which 46 (20 percent) were non-systemic class cases and 54 (23.4 percent) involved challenges to systemic discrimination.

In addition to these new suit filings, the EEOC's legal staff resolved 209 merits lawsuits in the federal district courts for a total monetary recovery of $39 million. Of these resolutions, 135 contained Title VII claims, 59 contained ADA claims, 16 contained ADEA, 4 contained EPA claims, and 1 contained GINA claims. The Commission also resolved 13 subpoena enforcement and other actions during the fiscal year. In terms of dollars recovered in merits lawsuits by statute, the EEOC recovered $22 million in Title VII resolutions, $2.1 million in ADEA resolutions, $14 million in ADA resolutions, $235,000 in EPA resolutions, and $244,088 in resolutions involving more than one statute. The EEOC achieved a favorable resolution in approximately 90 percent of all district court resolutions. A total of 8,026 individuals received relief as a direct result of EEOC lawsuit resolutions in FY 2013.

The EEOC took 13 cases to trial in 2013, including 11 jury trials and two bench trials. With respect to the jury trials, the EEOC prevailed in nine of them, resolved one by consent decree during trial, and lost one. The EEOC lost one bench trial, and another case is still pending following a bench trial. Below is a description of some notable trial results:

In ***EEOC v. Hill Country Farms***, the EEOC obtained the largest award ever under the ADA and the largest award in the history of the EEOC — $240 million for the class of intellectually disabled men. The EEOC alleged that a food processing plant in Iowa subjected a group of 32 intellectually disabled workers to a hostile work environment, discriminatory pay, and other discriminatory terms of employment for many years. Specifically, the company paid the men only $65 a month for full-time work, subjected them to abusive verbal and physical harassment, restricted their freedom of movement, required them to live in deplorable and sub-standard living conditions, and failed to provide adequate medical care. In September 2012, the court entered partial judgment for the EEOC and ordered the company to pay 32 class members $1.3 million in back pay for work they performed between 2007 and 2009. In May 2013, a jury returned a verdict of $240 million for the class (reduced by the court to $1.6 million because of the ADA's damages cap). Ultimately, the court ordered payment of $3.4 million for 32 class members.

In ***EEOC v. A.C. Widenhouse***, a jury concluded that a trucking company in North Carolina subjected African American truck drivers to pervasive racial harassment and awarded $200,000 in damages to two employees (reduced by the court to $100,000 because of Title VII's damages cap). The court awarded an additional $88,509 in back pay, and also ordered the company to expunge its personnel files, implement a new written antidiscrimination policy, conduct annual race discrimination training, post an employee notice of resolution of the suit, and report to the EEOC on future complaints of racial harassment.

In ***EEOC v. New Breed Logistics***, a jury awarded $1.4 million in back pay and damages and found for four women subjected to sexual harassment and then fired (along with a male employee) in retaliation for complaining about the harassment.

In ***EEOC v. Exel Logistics***, the EEOC successfully challenged a company's failure to promote a woman to a supervisory position at its warehouse because of her sex. After a four day trial, the jury returned a verdict of $500,000 in compensatory and punitive damages (reduced by the court to $300,000 because of Title VII's damages cap).

In ***EEOC v. Western Trading***,a jury agreed with the EEOC, concluding that an Army-Navy surplus store in Colorado unlawfully fired an employee because of his seizure disorder. Despite receiving three separate work releases from his doctors, the company refused to allow the employee to return to work. The jury awarded $109,000 in back pay and damages.

In addition to securing extensive relief for thousands of individuals at the district court level, the EEOC advanced the development of the law with its appellate litigation. For example, in ***EEOC v. Boh Bros. Construction***, the Fifth Circuit,

sitting *en banc*, reinstated a favorable jury verdict in this same sex harassment suit. Reversing a panel decision, the *en banc* court held that a plaintiff in a same sex harassment case can demonstrate that the harassment was because of sex by showing that it was motivated by the harasser's subjective perception that the victim failed to conform to gender stereotypes. The court further held that the Commission had amassed sufficient evidence to sustain the jury's verdict.

In ***EEOC v. Cintas***, the Sixth Circuit rejected the district court's determination that the EEOC may not pursue a claim under the *Teamsters* pattern-or-practice framework pursuant to its authority under section 706 of Title VII. The court also reaffirmed that a plaintiff is not required to plead in its complaint the evidentiary proof framework it intends to use and held that the EEOC fulfilled its investigation and conciliation obligations by providing notice to Cintas that it was investigating and seeking to conciliate class-wide instances of discrimination. The Supreme Court declined to review the Sixth Circuit's opinion.

In ***EEOC v. Houston Funding***, the Fifth Circuit held (in the first published appellate decision directly deciding this issue) that discrimination against a woman because she was lactating or expressing milk states a cognizable Title VII sex claim. The Court reasoned that "[a]n adverse employment action motivated by these factors" is discrimination based on sex because it "clearly imposes upon women a burden that male employees need not—indeed, could not—suffer." In addition, the Fifth Circuit held that firing a woman on this basis also violates the specific statutory prohibition in the Pregnancy Discrimination Act.

At the end of FY 2013, the EEOC was handling 37 appeals in EEOC enforcement actions and participating in 17 appeals in private suits as amicus curiae.

Maximizing Impact through Systemic Enforcement

As the nation's leading law enforcer of federal laws prohibiting employment discrimination, the agency places a high priority on pursuing systemic enforcement, pattern or practice, policy, and/or class investigations, and litigation where the alleged discrimination has a broad impact on an industry, profession, company, or geographic area. While systemic cases are highly complex and resource-intensive, these cases typically impact a large number of employees or job seekers directly and can benefit untold numbers of workers and employers indirectly through public awareness and changes in company policies and industry standards. As a result, in its Strategic Plan for Fiscal Years 2012–2016, the Commission reiterated the importance of systemic enforcement program as a top agency priority. In FY 2013, the Commission again declared its commitment to combating systemic discrimination in its new Strategic Enforcement Plan, particularly with respect to barriers to recruitment and hiring, discriminatory policies that affect vulnerable workers, discriminatory pay practices, retaliatory practices and policies, and systemic harassment.

Each year since embarking on the systemic program, the Commission has expanded its use of technology to improve its capacity to identify systemic violations and to manage systemic investigations and litigation. In FY 2013, the agency rolled out the Systemic Watch List, a software application that helps coordinate the investigation of multiple charges filed against the same employer involving similar issues. When a new charge is filed that matches another ongoing investigation or lawsuit, the program issues an automatic alert to staff working on the case, facilitating collaboration across EEOC field offices and avoiding duplication of efforts.

The agency has also expanded its use of webinars to provide training on systemic investigations and litigation, including use of technology to facilitate systemic work. These technology initiatives have proven to be effective, low-cost methods of achieving the EEOC's goal of better integrating enforcement functions, as set out in the agency's Strategic Enforcement Plan.

In the litigation context, the EEOC has continued its expansion of the CaseWorks system, which provides a central shared source of litigation support tools that facilitate the collection and review of electronic discovery and enable collaboration in the development of cases for litigation. In this past year alone, the EEOC increased by 150 percent the storage capacity of CaseWorks, which now hosts over 30 million pages of electronic documents.

Systemic Investigations

Despite limited resources available to carry out its enforcement work, the Commission continued to achieve a high level of results in its systemic investigations. In FY 2013, the EEOC resolved 300 systemic investigations. Twenty one percent (or 63) of those investigations were resolved through the EEOC's conciliation process, which affords employers an opportunity to come into compliance with the anti-discrimination laws without an EEOC lawsuit being filed. In cases where the EEOC's systemic investigation was hampered by a respondent's failure to comply with requests for relevant evidence, the EEOC continued its practice of relying on its subpoena authority and, where necessary, application to the federal courts to enforce subpoenas. In all, over $40 million in relief was secured through the Commission's systemic investigative work for more than 8,300 individuals. A number of key systemic resolutions brought about in FY 2013 are listed below:

- The EEOC successfully resolved two major systemic investigations of staffing agencies through its conciliation process after issuing findings of discrimination against the firms. In the first, the EEOC found that a staffing agency engaged in a pattern or practice of classifying and failing to refer job applicants based on their race, color, sex, national origin, age or disability. Under the agreement, the company agreed to pay $920,000 to individuals affected by the discriminatory practice, and to alter its practices to ensure future compliance with the anti-discrimination laws. In the second, the EEOC reached a successful conciliation agreement with a staffing firm after finding that the staffing agency refused to hire, refer and assign individuals for jobs based on race, sex, disability, and in retaliation for engaging in activity protected under the anti-discrimination statutes. Terms of the conciliation agreement included $400,000 in back pay to class members; job placement for persons who had not been referred prior to the EEOC's findings; resume assistance to class members; changes in the staffing firm's practices and procedures; training for employees; and monitoring by the EEOC of the company's employment actions for the duration of the agreement.

- After a finding that a food production company discriminated against a class of African Americans through its recruitment and hiring practices, a successful conciliation agreement was reached with the company. Under the agreement, the company will pay over $900,000 to persons denied work because of their race, and institute non-discriminatory recruitment and hiring practices.

- A nationwide systemic investigation of a major retail establishment was successfully resolved by a conciliation agreement when the employer agreed to pay $2.3 million to a class of 76 individuals whom the EEOC found were denied reasonable accommodation under the ADA. Under the agreement, the employer has also agreed to make significant changes to its reasonable accommodation policies and practices nationwide; to conduct issue specific training for employees on the ADA and reasonable accommodations; and to provide reports to the EEOC so that its compliance with the ADA can be monitored over the three-year period of the agreement.

- The EEOC reached a conciliation agreement with an employer that will provide $21.3 million to a class of African Americans subjected to racial discrimination. The agreement followed findings by the EEOC that the employer had engaged in a range of racially discriminatory practices, including harassment, denial of promotions, and unfavorable job assignments. The agreement stems from a systemic investigation launched after 78 charges were filed with the EEOC,

and will provide relief to over 200 individuals. The Conciliation Agreement mandates that the employer establish a personnel system that will ensure posting of future vacancies and promotional opportunities, and the implementation of a new HR database system to track applicant data. The Agreement also requires that the company appoint an EEO Coordinator to oversee the creation and distribution of new anti-discrimination policies, ensure that any future discrimination complaints be properly investigated internally, and to conduct EEOC-approved training to all management and staff members.

- The Commission continued its enforcement efforts to address employer policies requiring background screening that do not comport with federal anti-discrimination law and EEOC policy. Several of these systemic investigations were resolved after the EEOC found that the employer's background check policy discriminated against African Americans, and led to conciliation agreements under which the employers agreed to modify their respective screening policies. Conciliation agreements were reached with a nationwide trucking firm, a major U.S. fast food chain, and a car service chain with multiple facilities.

- The Commission resolved two systemic sexual harassment cases after issuing findings of discrimination, each resulting in monetary relief of $1 million or more. In the first case, the EEOC found that an employer had subjected female employees to widespread sexual harassment. The company agreed to pay over $1 million to a class of at least 22 women who faced harassment. Additionally, the company agreed to major operational changes, including installing a human resources staff member at the worksite, training of its employees, and monitoring by the EEOC over the five-year term of the agreement.

  In the second, the EEOC successfully conciliated a systemic investigation after it determined that a class of females was subjected to sexual harassment. The conciliation agreement included $1 million in damages for four persons who had filed charges with the Commission and approximately 25 additional class members, issue-specific training for employees on preventing sexual harassment in the workplace, procedural/practice changes in how the employer responds to complaints of sexual harassment, and the EEOC's monitoring of Respondent's compliance with federal laws prohibiting sexual harassment.

Systemic Litigation

When the agency makes a finding of systemic discrimination and efforts to secure voluntary compliance fail, the agency may choose to file suit to enforce the law. In FY 2013, the Commission filed 21 systemic lawsuits. These new suits challenge a variety of types of systemic discrimination, including challenges to patterns or practices of refusing to hire applicants based on race or sex, criminal record policies that disproportionately screen out African American applicants, pre-offer medical inquiry and examination policies that violate the ADA or GINA, reductions in force that target older employees, and unequal pay practices.

Systemic suits comprised 16 percent of all merits suits filed in FY 2013. At the end of FY 2013, a total of 54 cases on the active docket were systemic cases, accounting for 23.4 percent of all active merits suits. This is the largest proportion of systemic suits on the Commission's active docket since tracking began in FY 2006. Based on the volume of systemic charges currently in investigation, the quantity of systemic lawsuits and their representation on the total docket is expected to remain high or steadily increase. Under the EEOC's strategic plan, the agency projects an active systemic docket of 22–24 percent of all pending lawsuits by FY 2016.

This past year, the EEOC resolved 29 systemic cases, 7 of which included at least 50 victims of discrimination and 14 of which included at least 20 victims of discrimination. Below is a sampling of significant outcomes of systemic discrimination lawsuits in FY 2013:

In ***EEOC v. Burger King/Carrols Corp.***, the EEOC succeeded in negotiating a consent decree providing for $2.5 million to 89 women and injunctive relief, after 15 years of litigation. The EEOC alleged that a Burger King franchise with restaurants in 13 states in the Midwest, Northeast and mid-Atlantic subjected a class of female employees, many of them teenagers, to sexual harassment, discriminatory working conditions, and retaliatory terminations for their complaints about the harassment.

In ***EEOC v. Mesa Systems***, the EEOC obtained the largest national origin discrimination resolution in the state of Utah. The EEOC alleged that a manufacturer of communication and power transfer devices in Utah subjected Hispanic and Asian/Pacific Islander warehouse workers to an unlawful restrictive language policy and a hostile work environment which included racist name calling and slurs. In addition, the company fired or reduced the working hours of some employees in retaliation for signing petitions and other complaints to management about the discrimination. The EEOC secured a consent decree providing $450,000 to 18 employees, and creative and meaningful injunctive relief, including rescission of the English only policy, changes to the company's harassment policy, and apology letters to all of the claimants. This monetary resolution is the largest national origin discrimination resolution in the state of Utah.

In ***EEOC v. Interstate Distributor Company,*** the EEOC alleged that a trucking company in Colorado maintained a maximum leave policy and a 100 percent restriction-free return to work policy that operated to deny reasonable accommodations to employees with disabilities. After successful pre-suit negotiations, the case was resolved by a consent decree providing $4.9 million to 427 claimants and injunctive relief.

In ***EEOC v. Presrite***, the EEOC alleged that a metal forging company in Ohio failed to hire a class of women into entry-level laborer and operative jobs based on their sex. In addition, the company failed to preserve employment applications. The case was resolved by a consent decree establishing a $700,000 settlement fund and priority consideration for jobs to at least 40 women.

In ***EEOC v. Hamilton Growers***, the EEOC alleged that a farm in Georgia subjected its employees to harassment and discriminatory job assignments based on national origin (American born) and race (African American). A consent decree provides monetary relief for 450 individuals along with hiring goals, the implementation of new harassment policies, the appointment of a compliance officer, training, and employee transportation to the job site.

In ***EEOC v. Dillard's***, the EEOC alleged that the department store's policy requiring employees to disclose personal medical information or face discipline violated the ADA. The case was resolved by a consent decree providing $2 million to more than 6,000 individuals harmed by the policy in California and extensive injunctive relief, including the retention of a consultant to review and modify company policies, management training, and the creation of a new complaint tracking system.

More details about the Systemic Program can be found at http://www.eeoc.gov/eeoc/task_reports/systemic.cfm.

Leadership in Federal Civil Rights Enforcement

Leveraging Inter-Agency Relationships for Strategic Enforcement

Particularly in these fiscally challenging times, the work of the Commission is made more efficient when EEOC coordinates closely with other federal agencies. EEOC has active relationships with a number of federal agencies, the Office of Management and Budget, and the White House. These interagency partnerships provide opportunities to maximize the benefit of each agency's work to the public, to avoid duplication of effort, and ensure the most efficient use of agency resources. In FY 2013, EEOC participated in a number of interagency partnerships, including the White House Initiative on Asian American and Pacific Islanders (WHIAAPI) (www.whitehouse.gov/aapi), the National HIV/AIDS Strategy (www.whitehouse.

gov/administration/eop/onap/nhas), the Federal Interagency Reentry Council (http://csgjusticecenter.org/nrrc/projects/firc), the National Equal Pay Enforcement Task Force, (http://www.whitehouse.gov/equal-pay/career), the Tri-Agency (EEOC, Department of Justice, and Department of Labor) Working Group, and the President's Interagency Task Force to Monitor and Combat Human Trafficking (PITF) (http://www.state.gov/j/tip/rls/reports/pitf/index.htm), and the Senior Policy Operating Group (SPOG).

The EEOC has continued to play an active role, for example, in the PITF and SPOG and related government-wide efforts to combat human trafficking. In regular inter-agency meetings, EEOC has reported to the other member agencies on our outreach, enforcement, and litigation addressing forms of human trafficking that may violate the anti-discrimination laws. At the direction of the President and in collaboration with a number of other agencies, during FY 2013, EEOC worked on developing the new Federal Strategic Action Plan on Services for Victims of Human Trafficking (SAP), which is designed to improve coordination of these services across the federal government. In April, the draft SAP was published for a 45–day public comment period and is expected to be finalized in January 2014. EEOC also provided testimony at two hearings of the Inter-American Commission on Human Rights, one on human trafficking in the United States and the other on the rights of migrant farm workers. And EEOC's General Counsel, P. David Lopez, represented the Commission at the May 2013 annual meeting of the PITF.

The EEOC also plays a lead role on the Federal Interagency Reentry Council, which is comprised of 20 federal agencies with a mission to: 1) make communities safer by reducing recidivism and victimization; 2) assist those who return from prison and jail in becoming productive citizens; and 3) save taxpayer dollars by lowering the direct and collateral costs of incarceration. A chief focus of the Reentry Council is to remove federal barriers to successful reentry, so that motivated individuals—who have served their time and paid their debts—are able to compete for a job, attain stable housing, support their children and their families, and contribute to their communities. In particular, the Reentry Council is working to reduce barriers to employment, so that these individuals can compete for appropriate work opportunities.

The EEOC is critical to this effort and is leveraging this relationship to deepen and expand its work to educate employers, job applicants, and workers about the proper use of arrest and conviction records in employment. The EEOC helps coordinate the Council's communication and outreach efforts, participates in the employment-focused reentry subgroup, develops outreach materials (i.e., Federal Interagency Reentry Council "Reentry Mythbuster" on hiring and criminal records: http://csgjusticecenter.org/wp-content/uploads/2012/11/Reentry_Council_Mythbuster_Employment.pdf; Federal Interagency Reentry Council Employment Snapshot: http://csgjusticecenter.org/wp-content/uploads/2013/06/SnapShot_Employment.pdf), provides external federal agency technical assistance, makes numerous presentations at various outreach events and activities, and provides internal EEOC trainings. The agency is a constant resource for our partner agencies on the applicability of Title VII in this area in both the private and federal sectors. EEOC enforcement and guidance on the use of arrest and conviction records are important models for agency partners, who relying in part on our leadership, technical assistance, guidance and enforcement strategies, are taking steps to ensure their constituent employers, workers, and job applicants are educated about the use of criminal records in the context of the various services provided by their agencies.

The EEOC is exploring further collaboration with these reentry council agency partners on joint trainings, presentations and the development of education materials. To this end, the EEOC serves on the steering committee of the Integrated Reentry and Employment Strategies project, a partnership that includes the Council of State Governments, DOJ, DOL and the Annie E. Casey Foundation, designed to help workforce development officials create integrated strategies to improve reentry outcomes for individuals with criminal records. The EEOC guidance and related materials on the use of arrest and conviction records in employment are part of the electronic toolkit created for this project.

Providing Clarity through Regulations, Enforcement Guidance and Technical Assistance

Issuing regulations and guidance is at the heart of the Commission's role of leading the enforcement of federal employment anti-discrimination laws. Regulations and guidance inform individuals and employers of their legal rights and responsibilities, aid EEOC employees in conducting their work, and serve as references for the courts when resolving novel legal issues.

Substantive Issues: In FY 2013, the agency issued the following regulations, guidance, or technical assistance on substantive issues under the laws enforced by EEOC:

The Application of Title VII and the ADA to Applicants or Employees who Experience Domestic or Dating Violence, Sexual Assault, or Stalking. On October 12, 2012, the Commission issued this technical assistance document to explain how Title VII and the ADA may apply to employment situations involving workers who experience domestic or dating violence, sexual assault, or stalking. The document explains that EEOC-enforced laws do not prohibit discrimination against these workers, but that sex or disability discrimination may become relevant if, for example, an employer relies on sex-based stereotypes when taking an employment action that concerns them. The document also informs workers who may experience employment discrimination on a protected basis about how to file a charge of discrimination. A copy of the document is available on the EEOC website at http://www.eeoc.gov/eeoc/publications/qa_domestic_violence.cfm.

The Mental Health Provider's Role in a Client's Request for a Reasonable Accommodation at Work. Many people with common mental health conditions have a right to a reasonable accommodation at work under the Americans with Disabilities Act (ADA), as amended, and employers often request information from the worker's mental health provider before granting an accommodation request. This technical assistance document was designed to address questions from mental health providers concerning the law on workplace reasonable accommodation and the mental health provider's role in the accommodation process. The document, which was published electronically on May 1, 2013, is available on the EEOC website at http://www.eeoc.gov/eeoc/publications/ada_mental_health_provider.cfm.

Revisions to the Americans with Disabilities Act (ADA) Questions and Answers Series. The EEOC has issued a series of technical assistance documents outlining how the ADA may apply to specific impairments, and the workplace rights of individuals with those impairments. On May 15, 2013, the EEOC issued updates on four of these documents to address how changes in the definition of "disability" as a result of the 2008 Americans with Disabilities Act Amendments Act (ADAAA) may affect who is covered under the ADA. The revised documents include the following:

- *Cancer in the Workplace and the ADA* (http://www.eeoc.gov/laws/types/cancer.cfm)
- *Diabetes in the Workplace and the ADA* (http://www.eeoc.gov/laws/types/diabetes.cfm)
- *Epilepsy in the Workplace and the ADA* (http://www.eeoc.gov/laws/types/epilepsy.cfm)
- *Persons with Intellectual Disabilities in the Workplace and the ADA* (http://www.eeoc.gov/laws/types/intellectual_disabilities.cfm)

EEOC Procedures: The EEOC Regulations also govern the procedures for how complaints are filed and processed within the EEOC, and how the EEOC otherwise conducts many of its activities. These regulations play the important role of notifying the public of how to pursue their rights with the EEOC, and of ensuring that the agency complies with the laws applicable to government operations generally. The Commission regularly reviews its procedures to improve their efficacy and to ensure compliance with other applicable laws. In FY 2013, the Commission took the following regulatory actions on procedural issues:

Final Rule on Availability of Records. The EEOC must disclose information to the public consistent with the Freedom of Information Act (FOIA). On June 19, 2013, the Commission published a final rule designed to improve EEOC efficiency, reduce delays for the public, conform the regulation to the 2007 FOIA amendments in the OPEN Government Act, and implement multi-track procedures as authorized by the Electronic FOIA Act Amendments of 1996. Specifically, the FOIA regulation replaces the EEOC's first in/first out FOIA process with a more efficient system that categorizes requests at the outset as simple, complex, or expedited, and then moves the requests on different tracks. The updated regulation also requires FOIA requestors seeking disclosure of an EEOC charge files to submit the court complaint showing that a lawsuit was filed on the issues investigated in the EEOC charge. This requirement allows EEOC to quickly determine whether disclosure of the charge file is permissible, subject to the pertinent FOIA exemptions. The rule also makes several changes concerning the transfer of FOIA responsibilities from Regional Attorneys to District Directors, and allows the public to file FOIA appeals, like initial FOIA requests, by mail, facsimile, e-mail, or through the EEOC's public website. This final rule follows a notice of proposed rulemaking published on September 4, 2012, and Commission analysis of public comments received pursuant to a request for such comments by November 4, 2012. A copy of the final rule is available on the EEOC website at http://www.eeoc.gov/laws/regulations/index.cfm.

To help explain how these changes affect the EEOC's procedures and decisions concerning the release of information to the public, the Commission issued a technical assistance document—Questions and Answers on EEOC's Final Rule Implementing Revisions to the Commission's FOIA Regulations, which is available on the EEOC website at: http://www.eeoc.gov/laws/regulations/qanda_finalrule_foia_revisions.cfm.

Final Rule Correcting Procedural Regulations. The Commission cooperates with Fair Employment Practice Agencies (FEPAs) in state and local government to share charge processing and investigatory responsibilities. EEOC procedural regulations outline how, and on what kind of charges, the EEOC and FEPAs will cooperate. The Commission approved a final regulation, published September 6, 2013, to correct a footnote indicating that the FEPA in Puerto Rico was not designated to handle charges alleging retaliation. This correction makes clear that the Commonwealth of Puerto Rico Department of Labor is a designated FEPA agency for retaliation claims as well as other employment discrimination claims.

Providing Strong Leadership and Oversight for Federal Agencies

The EEOC provides leadership and guidance to federal agencies on all aspects of the federal government's equal employment opportunity program. The Commission assures federal agency and department compliance with EEOC federal sector regulations, provides technical assistance to federal agencies concerning EEO complaint adjudication, monitors and evaluates federal agencies' affirmative employment programs, and develops and distributes federal sector educational materials and conducts training for stakeholders.

EEOC's Management Directive 715 (MD–715) identifies "Essential Elements" for structuring model EEO programs. Attaining a model EEO program provides an agency with the necessary foundation for achieving a discrimination-free work environment. The six essential elements for maintaining model Title VII and Rehabilitation Act programs are: (1) demon-

strated commitment from agency leadership; (2) integration of EEO into the agency's strategic mission; (3) management and program accountability; (4) proactive prevention of unlawful discrimination; (5) efficiency; and (6) responsiveness and legal compliance.

A discrimination-free work environment, characterized by an atmosphere of inclusion and free and open competition for employment opportunities, is the ultimate goal of MD–715 and the federal government. MD–715 provides a roadmap for creating effective EEO programs for all federal employees as required by Title VII and Section 501 of the Rehabilitation Act of 1973, which prohibits disability discrimination in the federal sector.

To assist agencies in reporting under MD–715, the EEOC provides tools and assistance to agencies to help them analyze their work forces and uncover barriers to equal employment opportunities. Once barriers are identified by agencies, Commission staff collaborates with them to develop creative strategies to eliminate or reduce the impact of identified obstacles. Further, the EEOC works with agencies to promote workplace policies and practices that foster an inclusive work culture and prevent employment discrimination. This effort includes working with federal agencies to adopt and successfully implement the attributes of the EEOC's Model EEO Program.

In FY 2013, the EEOC deployed the Federal Sector EEO Portal (FedSEP) to all federal agencies to provide electronic submission and collection of Federal Agency EEO Program Reporting (MD–715) data. FedSEP is a multi-year initiative for capturing and storing the data used by EEOC for analyzing the workforce composition of federal agencies and trends within the federal workforce. It will allow EEOC to better identify potential discriminatory policies or practices within federal agencies to establish priorities and issue/monitor compliance plans to address the areas of concern. During FY 2013, EEOC expanded FedSEP to include submission and integrated analysis for the Annual Federal Equal Employment Opportunity Statistical Report of Discrimination Complaints (EEOC Form 462) data for the October 2013 reporting cycle. Using an integrated web-based data collection system will benefit EEOC by reducing costs, increasing data accuracy, and improving the analysis of data.

In addition, during FY 2013, the EEOC completed design, development and testing for the Federal Case Management system, in support of Performance Measure 3. These enhancements, which will be piloted in early FY 2014, will allow staff to categorize federal hearings and appeals workload for more efficient processing.

EEOC staff analyzes and assesses federal agencies' annual submission of MD–715 reports to ascertain agencies' progress in creating model EEO programs. EEOC provides oversight to over 200 federal agencies and their subcomponents. To facilitate this oversight responsibility, EEOC conducts in-person and telephonic remote assistance meetings with the responsible agency employees, as well as provides multi-year trend analysis feedback letters to the agencies.

The EEOC's success in its oversight role comes not from the mere exercise of collecting data; it comes from what EEOC and the agencies do with that data. Agencies have the responsibility to identify those red flags that are discovered in the MD–715 data and conduct investigations of the anomalies generated by workplace policies, procedures, and practices with an eye toward eliminating barriers to equal employment. If an agency finds a barrier, it has a responsibility to eliminate it. Similarly, EEOC, as the oversight agency, has the ongoing responsibility to provide the technical assistance necessary to accomplish this enormously important task.

The EEOC has provided feedback to agencies on their MD–715 submissions via various means, including technical assistance visits, one-year feedback letters, and three-year trend analysis letters. In response to comments from federal agency stakeholders, the Commission continues to provide feedback letters to agencies on a rotating basis. This feedback is designed to provide comprehensive analysis that tracks the agency's progress toward establishing a model EEO program.

During FY 2013, OFO provided technical assistance to 77 agencies. Despite staff reductions, OFO met with the EEO staff for over 33 percent of all agencies. OFO issued feedback letters to 47 of the 77 federal agencies in FY 2013, and will issue letters to the remaining agencies during the first quarter of FY 2014.

Extending the Reach of the Agency

Agency Outreach Continues to Reach Diverse Audiences

In keeping with the Strategic Plan's prioritization of outreach and education, in FY 2013 the Commission's outreach, education and technical assistance efforts focused on increasing voluntary compliance with federal equal employment laws and on improving employee and employer awareness of rights and responsibilities under federal employment discrimination laws, especially amongst underserved groups and in underserved areas.

The agency's no-cost outreach programs reached 283,000 persons in FY 2013. EEOC offices participated in 3,854 no-cost educational, training, and outreach events. Additionally, in FY 2013, the Training Institute trained 17,000 individuals at more than 370 events, including 121 field Customer Specific Training events with approximately 5,600 attendees.

Specific outreach events included 1,788 oral presentations, 255 training sessions and 280 stakeholder input meetings. These three major types of educational events reached over 140,000 people. Offices represented the Commission at 700 public events that reached 75,377 people. These events included information meetings with community organizations and professional associations. Through participation in job fairs, ethnic and cultural festivals, expositions and conventions, Commission personnel distributed informational materials to over 30,000 people. Commission employees also made 390 media presentations, including newspaper, radio and TV interviews, talk shows, and press conferences that provided substantive equal employment opportunity information to millions of stakeholders.

Small Business Outreach. The Commission worked collaboratively with the small business community to prevent employment discrimination and promote voluntary compliance. EEOC offices conducted 566 no-cost outreach events directed toward small businesses in FY 2013, reaching 23,967 small business representatives. The most popular topics for small business audiences were an overview of the laws enforced by EEOC, charge processing procedures, sexual harassment, Title VII and the ADA. In addition, some small businesses took advantage of training offered by the Training Institute with 488 events reaching 1,260 small business representatives.

Outreach to Vulnerable/Underserved Workers and Areas. In FY 2013, the Commission conducted events geared toward reaching vulnerable/underserved workers and underserved areas. The Commission reached 105,174 people by conducting a total of 1,665 events. Commission staff members traveled to states and communities where no EEOC office is located or where certain communities are reluctant to come forward to complain of employment discrimination, and partnered with local community organizations, consulates and other entities to reach these workers. For example, 305 events, reaching 18,149 individuals, were targeted to migrant farm worker communities and their advocates to provide education and information about discrimination. There were 312 events focused on human trafficking issues, working with community-based organizations devoted to trafficking issues, and reaching 18,554 people. In addition, 409 events, reaching 29,764 people, focused on the issue of the use of arrest and conviction records in employment, raising awareness about the impact on those who are trying to re-enter the workforce and become productive citizens. Finally, the Commission also provided over 190 off-site intake and counseling services in neighborhoods where persons with limited English proficiency may be less likely to come to Commission offices.

Outreach to Asian American and Pacific Islander Communities. As part of the White House Initiative, the Commission improved its communications and partnerships with the AAPI community. In FY 2013, the Commission conducted 240

events, reaching 11,754 people, to raise awareness about the EEOC and the laws we enforce. The EEOC partnered with several organizations across the country that represent the AAPI communities. The events included ethnic media interviews, presentations at community gatherings and cultural fairs and celebrations, staffing informational booths, stakeholder input meetings, training, information dissemination in several languages that educate the AAPI community about employment discrimination laws and expanded presence sessions where Commission personnel conducted off-site intake and counseling. In addition to outreach to individual members of the AAPI communities and organizations that represent them, the agency also conducted outreach to the AAPI business community.

The table below shows the number of outreach events and the number of attendees for FY 2013 at events that covered all of the Commission's national priorities identified in the newly adopted Strategic Enforcement Plan.

2013 TABLE OF EVENTS AND ATTENDEES

NATIONAL PRIORITIES	EVENTS	ATTENDEES
Recruitment/Hiring (includes testing)	207	27,652
Immigrant/Migrant/Vulnerable Workers Total	1,665	105,174
Immigrant/Migrant Worker	305	18,149
Human Trafficking	312	18,554
Limited English Proficient	114	10,694
Arrests & Convictions/Re-Entry	409	29,764
Vulnerable Worker	525	27,488
Emerging/Developing Issues	1,223	86,847
Disability (includes reasonable accommodation)	850	60,936
PDA/ADA (includes maternity)	93	5,801
LGBT	280	20,110
Equal Pay (includes wages and benefits)	494	32,926
Access to Legal System (includes retaliation, recordkeeping violations, waivers, mandatory arbitration)	335	20,417
Harassment (includes non-sexual and sexual harassment)	824	60,412

Outreach and Collaboration with Other Federal Agencies. In FY 2013, the EEOC continued the effort to reach out and partner with other federal agencies in an effort to cast a wider net to reach the various advocate and employer communities around the country. Experience has shown that pooling federal resources allows the EEOC to be more effective and efficient in its efforts. The agency conducted over 100 outreach events with the Department of Labor's (DOL)/Office of Federal Contract Compliance. The EEOC also became a partner in DOL's Consular Partnership Program, along with DOL's Bureau of International Labor Affairs, Wage & Hour Division, Occupational Health and Safety Administration and the National Labor Relations Board. The Consular Partnership Program is charged with working with various embassies

and consulates to reach the particular communities in the United States to educate workers about their labor and employment rights and employers about their responsibilities and best practices under the laws enforced by each agency. The agency also conducted 28 events with the Department of Justice. (OFP)

Providing Employers and Employees with Education and Technical Assistance

The EEOC Training Institute is managed under a separate statutory authority that enables the Commission to offer in-depth and specialized programs on a fee basis, supplementing the free general informational and outreach activities that are an on-going aspect of the agency's mission. The Training Institute offers diverse, high quality, reasonably priced EEO expertise and training products to private sector employers, state and local government personnel, and employees of federal agencies. In FY 2013 the Institute trained over 17,000 individuals at more than 370 events, generating about $2.8 million in revenue. This enabled the Institute to remain self-sustaining for another year, and allowed for the reimbursement of $1.2 million to the Commission for indirect costs associated with its operations, including 100 percent of Training Institute staff and portions of field and headquarters staff performing dedicated activities for the Institute. The Institute offered the following products/service lines:

Technical Assistance Program Seminars (TAPS). The one- and two-day TAP Seminars offered by the Training Institute are responsive to employers' information and training needs and allow EEOC to educate employers and employees about how to identify, prevent and eliminate workplace discrimination. In FY 2013, 30 TAPS were conducted throughout the country with nearly 5,400 participants. Throughout FY 2013, TAPs continued to receive excellent evaluations. Over 90 percent of the attendees at multi-issue TAPs rated the event as "above average" or "outstanding."

Examining Conflicts in Employment Laws (EXCEL) Conference. This year's conference marked the 16th anniversary of the event which attracted more than 500 attendees. For the first time in the history of the conference, it was combined with the federal sector, private sector, and with the local Fair Employment Practices Agencies. This format expanded the widely anticipated and highly acclaimed event for EEO managers, HR professionals, attorneys, union officials, and other EEO professionals. The Training Institute provides administrative and logistical support for EXCEL. The conference included more than eight plenary sessions and more than forty open workshops. In addition to the general plenary and workshops, there was a preconference session for new investigators and counselors attended by more than 120 individuals and three separate closed tracks covering Counselor Refresher, Investigator Refresher and Hearings Preparation. Among the highlights during the 2013 EXCEL conference was the opening session by Chair Jacqueline Berrien, who set the tone for the event. Commissioner Jenny Yang participated on a panel discussion on wage discrimination during the first day of the conference. This year's conference provided two keynote presenters; Lilly Ledbetter in celebration of the 50th anniversary of the Equal Pay Act and Capt. Gail Harris, who at the time of her retirement was the highest ranking African American female in the Navy.

Customer Specific Training. The Customer Specific Training (CST) program trains employees, managers, supervisors and human resource professionals from large, mid-size and small employers on their EEO responsibilities and how to prevent and correct workplace discrimination. Standardized courses are available, or the Institute can design customized courses to be delivered at employers' worksites. In FY 2013, the Training Institute held 121 field CST events that reached approximately 5,600 attendees.

Federal Courses and CSTs. In addition to the EXCEL conference, courses covering skills training for federal investigators, mediators, and counselors were presented and funded through the Training Institute. There were more than 800 attendees this year for the federal courses offered around the country and in Washington, DC. There were also 85 federal CSTs conducted during FY 2013.

Improved Labor–Management Relations

During FY 2013, the agency continued its efforts to meet the requirements of Executive Order 13522: "Creating Labor-Management Forums to Improve Delivery of Government Services." The EEOC continued its work with the National Council of EEOC Locals No. 216 and the AFGE-AFL-CIO in expanding labor relations under the Order. During FY 2014, the agency expects to provide guidance to Local Management Forums on implementing cost savings issues and other programs directed at employee morale.

In FY 2013, EEOC labor-management relations continued to improve. During the fiscal year, the Union filed five unfair labor practices, compared to seven in FY 2012. The agency also successfully completed negotiations on a new Collective Bargaining Agreement (CBA) that was ratified by the Union's membership. The Chair approved the CBA in August 2013 and all parties agreed to implementation by late fall. Jointly, labor and management plan to implement certain requirements of the CBA, including piloting a new Maxiflex program, developing guidance on the new Telework program that contemplates real-estate savings by reducing the square footage of future office sites, and reviewing all locally negotiated Memoranda of Understanding (MOU) (many of which are out of compliance with the new CBA, as well as agency and government-wide regulations) to determine which MOUs should be renegotiated.

Improving Employees' Viewpoint Survey Results

The FY 2013 results show that EEOC employees continue to like the kind of work they do, believe their work is important, are willing to give extra effort to get a job done and, are looking for ways to do their jobs better. In fact, employees rate the overall quality of work done in their work unit above 85 percent. Employees also say they are held accountable for achieving results and know how their work relates to agency goals. Supervisors/Team Leaders talk with their employees about their performance and treat them with respect.

In FY 2011, the EEOC's employees expressed several concerns about their workplace and the agency responded by launching the "BEST" Initiative. BEST, an acronym for *Building Employee Satisfaction Together*, focuses on employee satisfaction and implements a strategy for improving satisfaction by creating opportunities for employee involvement to resolve workplace issues. In FY 2012, BEST focused on survey items that were five or more percentage points lower than the Government-wide averages. These items included workload management, resources, reprisal, and work-life and safety programs.

The FY 2013 results revealed that except for sufficient resources, gaps in satisfaction generally narrowed by two or more percentage points from FYs 2011–2012 and by at least one percentage point from FYs 2012–2013. Further, most gaps from FY 2013 remained below the FY 2011 baseline and, in the case of satisfaction with the work/life program for child care, the EEOC's rating now leads the Government average. While the EEOC must continue to close satisfaction gaps to meet or exceed Government averages, clearly the agency is demonstrating some progress in the areas of focus. Even these small differences are significant when analyzing results for improvement.

Implementing Hiring Reform

A hiring freeze was imposed by the agency, effective January 3, 2011, and continues. But in FY 2013, the agency was in a position to hire 25 employees. Pursuant to initiatives from the Office of Personnel Management and the Office of Management and Budget, the EEOC's Office of the Chief Human Capital Officer continues to work with agency hiring managers and senior officials by strengthening the hiring tools designed to improve the agency's hiring process. The goal continues to be to hire new employees within 78 calendar days.

In FY 2013, the agency exceeded its target of 50 percent of hires completed in 78 days to 52 percent. The majority of these hires were made late in the fiscal year to staff the new Commissioner's office. However, the enter-on-duty date was hampered by the Government-wide shut down, which increased the number of days identified in the baseline. The improved tracking system continues to allow the EEOC to quickly identify barriers, such as delays in announcing positions due to inaccurate or incomplete crediting plans, delays in interviewing and selection, and extensions of time to select from a certificate, so that adjustments can be made to efforts to timely meet the agency's efficiency goal in hiring.

Program Evaluations

Program evaluation is an important component of EEOC's effort to assure that its programs are operating as intended and achieving results. A program evaluation is a thorough examination of program design and/or operational effectiveness that uses rigorous methodologies and statistical and analytical tools. Evaluations also use expertise internal and external to the agency and the program under review to enhance the analytical perspectives and lend credence to the methodologies employed, the evaluation processes and findings, and any subsequent recommendations.

Independent program evaluations continue to play an important role in formulating the strategic objectives and performance goals detailed in EEOC's FY 2012–2016 Strategic Plan and helped shape some of the program issues and key focus areas for improvement. They are an invaluable management tool to guide the agency's strategic efforts in attaining overall productivity and program efficiency, effectiveness, and accountability. To that end, EEOC has undertaken the following program evaluations to advance its performance-based management initiatives under the Government Performance and Results Modernization Act (GPRAMA) of 2010, and to improve the effectiveness of key agency programs.

Review of Evaluations, U.S. Equal Employment Opportunity Commission, Office of Inspector General, April 2013.

Evaluation of EEOC's Performance Measures, The Urban Institute, March 2013.

Collecting Compensation Data from Employers; Panel on Measuring and Collecting Pay Information from U.S. Employers by Gender, Race, and National Origin, National Research Council of the National Academies, August 2012.

Consistent with the Administration's focus on improving the effectiveness of government through rigorous evaluation and evidence-based policy initiatives, the EEOC will continue to consider appropriate program areas for evaluation each year. This will ensure that the agency's efforts align with EEOC's budget and other programmatic priorities.

Verification and Validation of Data

The Commission's private sector, federal sector, and litigation programs require accurate enforcement data, as well as reliable financial and human resources information, to assess the agency's operations and performance results and make good management decisions. The EEOC will continue efforts to ensure the accuracy of program information and any analysis of the information.

The Commission continually reviews the information collected in its databases for accuracy by using software editing programs and program reviews of a sample of records during field office technical assistance visits. In addition, headquarters offices regularly conduct analyses to review the information collected in order to identify any anomalies that indicate erroneous entries requiring correction to collection procedures. The agency expanded the formats that respondents can use when uploading their EEO–1 data so that more firms can use this option for filing. This will help increase the accuracy of the data provided as manual data entry in the online system will be eliminated.

The agency monitors its internal mechanisms for improving the validity and reliability of the EEO–1 data. As a larger number of employers are filing their reports by “uploading” data, steps were taken to subject those files to more stringent review for possible errors. Also, more training of contract support staff that provides technical assistance to filers will be implemented during this reporting period. Greater use of the EEO–1 by field staff continues to assist in identifying non-filers, which has enabled the agency to collect information more rapidly and completely. In addition, the EEOC has implemented the Federal Sector EEO Portal that enables all Federal agencies to electronically submit annual equal employment opportunity statistics (EEOC Form 462 and MD–715). These systems continue to improve the quality and timeliness of the information the agency receives. Finally, the EEOC continues to improve the collection and validation of information for the Integrated Mission System (IMS), which consolidates mission data on charge intake, investigation, mediation, litigation, and outreach functions into a single shared information system. IMS includes many automated edit checks and rules to enhance data integrity. Since several of the agency’s performance measures require it to use data to assess ongoing achievements, it is significant that the EEOC can now obtain this data much more quickly and with greater data accuracy.

The EEOC’s Office of Inspector General continues to review aspects of the status of the agency’s data validity and verification procedures, information systems, and databases and offer recommendations for improvements in its reports. This information and recommendations are used to continually improve Commission systems and data.

INSPECTOR GENERAL'S STATEMENT

Summary of Significant Management Challenges

Three of the most significant management challenges facing the U.S. Equal Employment Opportunity Commission (EEOC) in FY 2014 are in strategic performance management, reduction of the private-sector charge inventory, and strategic management of human capital.

Strategic Performance Management

In FY 2012, the EEOC finalized its 2012–2016 Strategic Plan, which contains three strategic objectives. In FY 2013, the EEOC adopted both a Strategic Enforcement Plan and continued developing a Quality Control Plan for Investigations and Conciliations in pursuit of achieving its objective to: "Combat employment discrimination through strategic law enforcement." However, in light of its financial and human resource limitations, the EEOC will be challenged in its efforts to sustain continuous progress in achieving this objective, while pursuing efforts to address the remaining objectives to: 1) Prevent employment discrimination through education and outreach; and 2) Deliver excellent and consistent service through a skilled and diverse workforce and effective systems.

In September 2012, the OIG commissioned an evaluation of the strategic plan's performance measures (*Evaluation of EEOC's Performance Measures, 2012–10–PMEV*). Noteworthy areas of the evaluation included whether: 1) There are performance measures for its key strategic goals and objectives; 2) The measures are effective gauges of the agency's progress in achieving its strategic goals and objectives; and 3) The performance measures are objective, understandable (to all stakeholders), and outcome-based. In March 2013, the OIG issued its report, which concluded, in part, that "the current measures do not cover the nation's progress towards achieving the [EEOC's] overarching goal: to reduce employment discrimination in the United States." The report also concluded that these measures were not outcome-based.

In our view, the EEOC can meet this challenge by adopting outcome measures for each of EEOC's three strategic objectives and track progress towards reducing employment discrimination in the United States. Developing and tracking such measures may be daunting, but worth the investment so that EEOC can continually pursue the highest and best use of its resources in reducing employment discrimination.

Reduction of the Private-Sector Charge Inventory

The EEOC again faces a major challenge in attacking the pending inventory of the private-sector discrimination charges, while improving the quality of charge processing. After reducing the inventory an aggregate 18.6 percent in FY 2011–2012, the inventory increased by less than one percent in FY 2013. At the end of FY 2013, the inventory stood at 70,781.

It is axiomatic that any substantial and sustainable effort to significantly reduce the charge inventory requires adequate numbers of staff (investigators in particular). However, in FY 2013, the EEOC's total workforce dropped from 2,346 to 2,147, a decline of 199 (8.5%). Indeed, the investigative staff, the primary staff responsible for handling private sector

charges of discrimination, decreased from 726 to 656, a decline of 70 (9.6%). The combination of these net staff reductions and the impact of the FY 2013 furloughs resulting from the affects of the Budget Control Act of 2011 (i.e., BCA or sequestration), undoubtedly contributed to the EEOC's inability to sustain significant charge inventory reductions in FY 2013. If these conditions continue in FY 2014, and beyond, the EEOC will be faced with major challenges in managing this critical component of its operations.

A recent EEOC study concluded, in part, that it needs to improve its knowledge management to better administer its primary charge data system (i.e., IMS). The OIG completed an evaluation (*Review of Evaluations, 2012–09–REV*) in FY 2013, which was designed to provide EEOC with recommendations to improve the efficiency and effectiveness of private sector enforcement activities. Among its findings, the evaluation concludes that EEOC should undertake efforts to continue to review and assess its management of the IMS to ensure that information obtained from charging parties is essential, complete, and more effectively stored. In our view, this would enable the EEOC to leverage its existing technology to provide internal and external stakeholders with more accurate and complete data.

In addition, as noted under above, in FY 2014, the EEOC needs to successfully implement the Strategic Enforcement and Quality Control Plans. If both are successfully implemented, it could bring about more effective and efficient charge processing, which should result in a significant improvement in reducing the discrimination charge inventory.

Strategic Management of Human Capital Management

Without a high-caliber workforce, the EEOC cannot accomplish its work effectively or efficiently. A continuation of Sequestration and other factors will challenge the EEOC in developing its workforce in FY 2014. The EEOC's management must be creative and conscientious in maintaining morale, and improving recruitment and retention in light of pay freezes and other fiscal impediments that affect its management of human capital.

The EEOC also needs to act promptly on recommendations in the recent OPM review of the EEOC's Office of Human Resource's strategic and other activities. Two key actions for the EEOC to consider as high priorities are: 1) The development of an accountability system for managing Human Capital; and 2) Conducting a competency gap analysis of mission-critical occupations so that staff recruitment is based on data-driven needs.

OFFICE OF THE INSPECTOR GENERAL TO THE CHAIR

U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
Washington, D.C. 20507

Office of
Inspector General

December 11, 2013

MEMORANDUM

TO: Jacqueline A. Berrien
Chair

FROM: Milton A. Mayo, Jr.
Inspector General

SUBJECT: FY 2013Agency Compliance with the Federal Managers' Financial Integrity Act (OIG Report No. 2013-07-AIC)

The *Federal Managers' Financial Integrity Act* (FMFIA), *P.L. 97-255*, as well as the Office of Management and Budget's (OMB) Circular A-123, Management Accountability and Control, establish specific requirements for management controls. Each agency head must establish controls to reasonably ensure that: (1) obligations and costs are in compliance with applicable laws; (2) funds, property and other assets are safeguarded against waste, loss, unauthorized use, or misappropriation; and (3) revenues and expenditures applicable to agency operations are properly recorded and accounted for in order to permit the preparation of reliable financial and statistical reports, as well as to maintain accountability over the assets. FMFIA further requires each executive agency head, on the basis of an evaluation conducted in accordance with applicable guidelines, to prepare and submit a signed statement to the President disclosing that agency's system of internal accounting and administrative control fully comply with requirements established in FMFIA.

EEOC Order 195.001, Internal Control Systems requires the Office of Inspector General (OIG) to annually provide a written advisory to the Chair on whether the management control evaluation process complied with OMB guidelines. On November 29, 2013, the Office of Research, Information and Planning (ORIP) submitted EEOC's Fiscal Year 2013 FMFIA Assurance Statement to the Chair and to the OIG for review. The OIG reviewed: (1) assurance statements submitted by headquarters and district directors attesting that their systems of management accountability and control were effective and that resources under their control were used consistent with the agency's mission and complied with FMFIA; (2) all functional area summary tables, and functional area reports; and (3) ORIP's Fiscal year 2013 Federal Managers' Financial Integrity Act Assurance Statement, and Assurance Statement Letter, and attachments. Based on our limited independent assessment of this year's process, OIG is pleased to advise you that the Agency's management control evaluation was conducted in accordance with OMB and FMFIA regulations.

Further, based on the results of audits, evaluations, and investigations conducted by OIG during Fiscal Year 2013, OIG concurs with ORIP's assertion that the Agency had no material weaknesses during this reporting cycle.

OIG concurs with ORIP's reporting of 8 instances of financial non-conformances. Of the 8 financial non-conformances, corrective action plans have been implemented to resolve them in FY 2014.

FINANCIAL STATEMENTS

Message from the Chief Financial Officer

The Accountability of Tax Dollars Act of 2002 requires the EEOC to prepare yearly financial statements. The statements depict the agency's financial status and the notes further explain financial practices and other pertinent information. Once again, I am happy to report that the EEOC received an unqualified opinion on its audited financial statements. This is the agency's tenth consecutive clean opinion. The opinion could not have been realized without the dedicated financial and administrative staff who worked diligently throughout the fiscal year toward excellence in financial management.

For FY 2013, the agency received a final funding level of $344M which is $16M less than FY 2012's appropriation. This reduction in resources made it challenging for the agency to continue operations and pay expenses. As a result, the longstanding hiring freeze remained in place. And programs, projects, and compensation and benefits were reduced. Collectively, these measures allowed the agency to end the fiscal year within budget. It is anticipated that the federal fiscal environment will remain tight. Therefore, going forward, the agency will focus on cost containment for expenses such as office rent. At eight percent of the total budget, rent is the second largest agency expense. (Compensation and benefits is the largest agency expense at 72 percent of the budget.) During FY 2013, the agency implemented "freeze the footprint" policy that includes a 20 percent reduction to future lease acquisitions for space reductions resulting from telework and new space designs. This initiative "promotes efficient spending," by slowing the growth of rent thereby allowing the agency to reallocate savings to other agency priority programs.

During FY 2014, the EEOC will continue long term budget planning, allocating resources to agency strategic initiatives and goals, and improving financial management.

Germaine P. Roseboro

Germaine P. Roseboro, CPA, CGFM
Chief Financial Officer

INSPECTOR GENERAL'S AUDIT REPORT

U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
Washington, D.C. 20507

Office of
Inspector General

December 16, 2013

MEMORANDUM

TO: Jacqueline Berrien
Chair

FROM: Milton A. Mayo, Jr.
Inspector General

SUBJECT: Audit of the Equal Employment Opportunity Commission's Fiscal Year 2013 Financial Statements (OIG Report No. 2013-FIN-01)

The Office of Inspector General (OIG) contracted with the independent certified public accounting firm of Harper, Rains, Knight and Company, P.A (HRK) to audit the financial statements of the U.S. Equal Employment Opportunity Commission (EEOC) for fiscal year 2013. The contract required that the audit be done in accordance with U.S. generally accepted government auditing standards contained in *Government Auditing Standards* issued by the Comptroller General of the United States and Office of Management and Budget's Bulletin 14-02, *Audit Requirements for Federal Financial Statements,* as amended.

HRK issued an unqualified opinion on EEOC's FY 2013 financial statements. In the Report on Internal Control, HRK noted one area involving internal control and its operation that was considered to be a significant deficiency. This included the lack of sufficient controls over supporting documentation for personnel expenses. In the Report on Compliance with Applicable Laws and Regulations, HRK noted no instances of non compliance with certain laws and regulations applicable to the agency.

In connection with the contract, OIG reviewed HRK's report and related documentation and inquired of its representatives. Our review, as differentiated from an audit in accordance with U.S. generally accepted government auditing standards, was not intended to enable us to express, and we do not express, opinions on EEOC's financial statements or conclusions about the effectiveness of internal controls or on whether EEOC's financial management systems substantially complied with FFMIA; or conclusions on compliance with laws and regulations. HRK is responsible for the attached auditor's report dated December 12, 2013 and the conclusions expressed in the report. However, OIG's review disclosed no instances where HRK did not comply, in all material respects, with generally accepted government auditing standards.

EEOC management was given the opportunity to review the draft report and to provide comments. Management comments are included in the report.

The Office of Management and Budget issued Circular Number A-50, Audit Follow Up, to ensure that corrective action on audit findings and recommendations proceed as rapidly as possible. EEOC Order 192.002, Audit Follow up Program, implements Circular Number A-50 and requires that for resolved recommendations, a corrective action work plan should be submitted within 30 days of the final evaluation report date describing specific tasks and completion dates necessary to implement audit recommendations. Circular Number A-50 requires prompt resolution and corrective action on audit recommendations. Resolutions should be made within six months of final report issuance.

cc: Claudia Withers
Germaine Roseboro
Raj Mohan
Nicholas Inzeo
John Schmelzer
Lisa Williams
Kimberly Hancher
Peggy Mastroianni
Todd Cox
Carlton Hadden
Deidre Flippen

INDEPENDENT AUDITOR'S REPORT

HARPER, RAINS, KNIGHT & COMPANY
Certified Public Accountants
A Professional Association

Independent Auditors' Report

Inspector General
U.S. Equal Employment Opportunity Commission

We have audited the accompanying consolidated balance sheets of the U.S. Equal Employment Opportunity Commission (EEOC), as of September 30, 2013 and 2012, and the related consolidated statements of net cost and changes in net position, and combined statements of budgetary resources, for the fiscal years then ended. These financial statements are the responsibility of EEOC management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and OMB Bulletin No. 14-02, *Audit Requirements for Federal Financial Statements*.

Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

In our audit of the EEOC for fiscal years 2013 and 2012, we found

- the financial statements are presented fairly, in all material respects, in conformity with U.S. generally accepted accounting principles,
- no material weaknesses in internal control over financial reporting (including safeguarding of assets) and compliance with laws and regulations, and
- no reportable noncompliance with laws and regulations we tested.

The following sections discuss in more detail (1) these conclusions, (2) our conclusions on Management's Discussion and Analysis and other supplementary information, and (3) our and management's responsibilities.

Opinion on the Financial Statements
In our opinion, the financial statements including the accompanying notes, present fairly, in all material respects, the financial position of EEOC as of September 30, 2013 and 2012, and its net cost of operations, changes in net position, and budgetary resources for the fiscal years then ended, in conformity with accounting principles generally accepted in the United States of America.

Harper, Rains, Knight & Company, P.A. • Certified Public Accountants • Consultants
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Telephone 601.605.0722 • Facsimile 601.605.0733 • www.hrkcpa.com

Inspector General
U.S. Equal Employment Opportunity Commission - Continued

Consistency of Other Information
Management's Discussion and Analysis (MD&A) is not a required part of the financial statements but is supplementary information required by the Federal Accounting Standards Advisory Board and OMB Circular A-136, *Financial Reporting Requirements*. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the MD&A. However, we did not audit the information and accordingly, we express no opinion on it.

Internal Control Over Financial Reporting
In planning and performing our audit, we considered EEOC's internal control over financial reporting and compliance. We did this in order to determine our audit procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on internal control. We limited our internal control testing to those controls necessary to achieve the objectives described in OMB Bulletin No. 14-02. We did not test all internal controls relevant to the operating objectives as broadly defined by the Federal Managers' Financial Integrity Act of 1982. Providing an opinion on internal control was not the objective of our audit. Accordingly, we do not express an opinion on EEOC's internal control over financial reporting and compliance or on management's assertion on internal control included in Managements' Discussion and Analysis. However, for the controls we tested, we found no material weaknesses in internal control over financial reporting (including safeguarding of assets) and compliance.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in Exhibit I to be a significant deficiency.

Our internal control work would not necessarily disclose all deficiencies in internal control that might be material weaknesses or other significant deficiencies.

We noted certain additional matters that we will report to management of EEOC in a separate letter.

Compliance with Applicable Laws and Regulations
The management of EEOC is responsible for complying with laws and regulations applicable to EEOC. As part of obtaining reasonable assurance about whether EEOC's financial statements are free of material misstatement, we performed tests of its compliance with selected provisions of laws and regulations including laws governing the use of budgetary authority and government-wide policies identified in OMB Bulletin No. 14-02, non-compliance with which could have a direct and material effect on the determination of consolidated and combined financial statements. Our tests disclosed no instances of noncompliance with laws and regulations which would be reportable under auditing standards generally accepted in the United States of America or OMB audit guidance.

Inspector General
U.S. Equal Employment Opportunity Commission - Continued

We limited our tests of compliance to the provisions of laws and regulations referred to in the preceding paragraph. Providing an opinion on compliance with those provisions was not an objective of our audit. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements
EEOC's management is responsible for (1) preparing the financial statements in conformity with accounting principles generally accepted in the United States of America, (2) establishing, maintaining, and assessing internal control to provide reasonable assurance that the broad control objectives of the Federal Managers' Financial Integrity Act are met, and (3) complying with applicable laws and regulations.

Auditors' Responsibility
We are responsible for obtaining reasonable assurance about whether the financial statements are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. We are also responsible for (1) obtaining a sufficient understanding of internal control over financial reporting and compliance to plan the audit, (2) testing compliance with selected provisions of laws and regulations that have a direct and material effect on the financial statements and laws for which OMB audit guidance requires testing, and (3) performing limited procedures with respect to certain other information appearing in the Annual Financial Statement. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the Comptroller General of the United States; and OMB Bulletin No. 14-02. Those standards and OMB Bulletin No. 14-02 require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of EEOC's internal control over financial reporting. Accordingly, we express no such opinion.

In order to fulfill these responsibilities, we

- examined, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- assessed the accounting principles used and significant estimates made by management;
- evaluated the overall presentation of the financial statements;
- obtained an understanding of the entity and its operations, including its internal control related to financial reporting (including safeguarding assets), and compliance with laws and regulations (including execution of transactions in accordance with budget authority);
- tested relevant internal controls over financial reporting, and compliance, and evaluated the design and operating effectiveness of internal control;
- considered the design of the process for evaluating and reporting on internal control and financial management systems under the Federal Managers' Financial Integrity Act; and
- tested compliance with selected provisions of laws and regulations that have a direct and material effect on the financial statements and those required by OMB Bulletin No. 14-02.

We believe that our audit provides a reasonable basis for our opinion.

Inspector General
U.S. Equal Employment Opportunity Commission - Continued

We did not evaluate all internal controls relevant to operating objectives as broadly defined by the *Federal Managers' Financial Integrity Act*, such as those controls relevant to preparing statistical reports and ensuring efficient operations. We limited our internal control testing to controls over financial reporting and compliance. Because of inherent limitations in internal control, misstatements due to error or fraud, losses, or noncompliance may nevertheless occur and not be detected. We also caution that projecting our evaluation to future periods is subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with controls may deteriorate. In addition, we caution that our internal control testing may not be sufficient for other purposes.

We did not test compliance with all laws and regulations applicable to EEOC. We limited our tests of compliance to selected provisions of laws and regulations that have a direct and material effect on the financial statements and those required by OMB audit guidance that we deemed applicable to the EEOC's financial statements for the fiscal year ended September 30, 2013. We caution that noncompliance may occur and not be detected by these tests and that such testing may not be sufficient for other purposes.

Our audit was conducted for the purpose of forming an opinion on the financial statements of EEOC taken as a whole. The other accompanying information included in this performance and accountability report is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

EEOC's written responses to the findings identified in our audit and presented in Exhibit I were not subjected to the auditing procedures applied in the audit of the EEOC's consolidated financial statements and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the management of the U.S. Equal Employment Opportunity Commission, the U.S. Office of Management and Budget, the U.S. Government Accountability Office, and the U.S. Congress and is not intended to be and should not be used by anyone other than these specified parties.

Harper, Rains, Knight & Company, P.A.

December 12, 2013

Significant Deficiencies
Exhibit I

1. Lack of Sufficient Controls over Supporting Documentation for Personnel Expenses

The U.S. Equal Employment Opportunity Commission (EEOC) does not properly maintain supporting documentation for personnel expenses recorded in the general ledger. EEOC maintains personnel files for all employees to ensure that wages and elections for withholdings and benefits are consistent with the employee's intent. These files have minimum standards for accuracy, relevancy, necessity, timeliness, and completeness.

In FY 2013, we tested a sample of 76 employees' personnel expenses and supporting documentation maintained by EEOC in the employees' personnel files (eOPF) for the period of October 1, 2012 through March 31, 2013. Based on our testing, we identified the following exceptions:

- Six (6) employees do not have a FEHB enrollment form (SF-2809, SF-2810 or transcript) in eOPF.
- Twenty (20) employees' enrollment code per most recent FEHB enrollment form (SF-2809, SF-2810 or transcript) in eOPF does not agree to enrollment code on LES for pay period sampled.
- Five (5) employees' elected coverage per most recent FEGLI election form (SF-2817, FE 2004 or RI 76-27) in eOPF does not agree to election code per SF-50 effective during pay period sampled.
- Seven (7) employees do not have a TSP election form (TSP-1 or transcript) in eOPF.
- Fifteen (15) employees' elected contribution (percentage/dollar amount) per most recent TSP election form (TSP-1 or transcript) in eOPF does not agree to contribution on LES for pay period sampled.

These exceptions were caused by insufficient controls in place at EEOC to ensure proper and timely documentation is maintained in the eOPF. We identified similar exceptions in our audit from FY 2010, FY 2011 and FY 2012.

EEOC's failure to properly record and maintain official personnel records increases the risk for improper calculations of liabilities on the Balance Sheets and improper calculations of program costs on the Statements of Net Cost.

The Government Accountability Office's (GAO) GAO Standards for Internal Control in the Federal Government (Green Book) states: "Internal control and all transactions and other significant events need to be clearly documented, and the documentation should be readily available for examination. The documentation should appear in management directives, administrative policies, or operating manuals and may be in paper or electronic form. All documentation and records should be properly managed and maintained."

To address this issue, we recommend that EEOC update its controls over the maintenance of its official personnel files. Additionally, management should perform a thorough review of its employees' personnel files to ensure that documentation is current and complete.

Significant Deficiencies
Exhibit I

Management's Response: As mentioned in last year's report, the majority of these issues occurred prior to our new agreement with DOI/IBC and OPM/Employee Express; whereas changes are transmitted automatically to the e-OPF. As for those issues that continue to require hard copy submissions, we will plan to correct this going forward by fully utilizing our new WTTS/EODS systems (automated on-boarding system), our Standard Operation Procedures dates August 6, 2012, which require internal audit and quality assurance reviews. This process requires the review of weekly reports from OPM and performing random samplings of e-OPFs each quarter with a report submitted to the Operations Services Director. We will also continue to use our volunteer veterans to perform some of these functions with the responsibility of monitoring the process and performing the audit going to the e-OPF Systems Administrator.

Auditors' Response: FY 2014 audit procedures will determine whether the corrective actions have been implemented and are operating effectively.

CONSOLIDATED BALANCE SHEETS

As of September 30, 2013 and 2012 (in dollars)

	FY 2013	FY 2012
ASSETS:		
Intragovernmental:		
Fund Balance with Treasury (Note 2)	$ 55,598,951	$ 53,993,070
Investments	–	–
Accounts Receivable (Note 3)	50,375	129,952
Loans Receivable	–	–
Advances	24,454	24,454
Other	–	–
Total Intragovernmental	55,673,780	54,147,476
Public:		
Cash and Other Monetary Assets	–	–
Investments	–	–
Accounts Receivable, Net (Note 3)	136,594	385,187
Taxes Receivable, Net	–	–
Direct Loan and Loan Guarantees, Net	–	–
Inventory and Related Property, Net	–	–
General Property, Plant and Equipment, Net (Note 4)	5,833,367	6,954,068
Advances	30,410	38,634
Other	–	–
TOTAL ASSETS	$ 61,674,151	$ 61,525,365
Stewardship PP&E		

The accompanying notes are an integral part of these statements.

CONSOLIDATED BALANCE SHEETS

As of September 30, 2013 and 2012 (in dollars) *(continued)*

LIABILITIES:	**FY 2013**	**FY 2012**
Intragovernmental:		
Accounts Payable (Note 6)	$ 1,309,042	$ 871,217
Debt	–	–
Employer payroll taxes	954,580	1,070,691
Worker's compensation liability (Note 7)	2,802,436	2,794,487
Amounts due to Treasury for non-entity assets	–	–
Other Liabilities (Note 5)	266	8,384
Total Intragovernmental	5,066,324	4,744,779
Accounts Payable	13,344,911	18,088,604
Loan Guarantee Liability	–	–
Debt Held by the Public	–	–
Accrued payroll	4,653,544	4,106,517
Accrued annual leave (Note 7)	18,765,203	18,698,273
Future worker's compensation liability (Note 7)	13,254,476	13,459,331
Benefits Due and Payables	–	–
Employer payroll taxes	311,908	–
Environmental and Disposal Liabilities	–	–
Contingent liabilities	–	–
Capital lease liability	–	–
Amounts collected for restitution	28,369	56,163
Deferred revenue	112,338	117,163
Other Liabilities	–	40,263
TOTAL LIABILITIES	**55,537,073**	**59,311,093**
NET POSITION:		
Funds from Dedicated Collections:		
Unexpended Appropriations	–	–
Cumulative Results of Operations	3,117,352	2,492,669
Total Net Position—Funds from Dedicated Collections	3,117,352	2,492,669
All Other Funds:		
Unexpended Appropriations	31,944,943	27,513,783
Cumulative Results of Operations	(28,925,217)	(27,792,180)
Total Net Position—All Other Funds	3,019,726	(278,397)
Total Net Position	6,137,078	2,214,272
TOTAL LIABILITIES AND NET POSITION	**$ 61,674,151**	**$ 61,525,365**

The accompanying notes are an integral part of these statements.

CONSOLIDATED STATEMENTS OF NET COST

For the Years Ended September 30, 2013 and 2012 (in dollars)

COMBATTING EMPLOYMENT DISCRIMINATION THROUGH STRATEGIC LAW ENFORCEMENT	FY 2013	FY 2012
Private Sector:		
Enforcement	$ 159,157,631	$ 177,187,809
Mediation	43,500,495	26,327,014
Litigation	67,166,061	75,857,359
Intake Information	10,024,016	4,407,499
State and Local	29,913,516	35,051,856
Total Program Costs—Private Sector	309,761,719	318,831,537
Revenue	(209,435)	(169,645)
Net Cost—Private Sector	309,552,284	318,661,892
Federal Sector:		
Hearings	25,738,224	29,440,922
Appeals	14,555,471	15,642,877
Mediation	886,875	747,297
Oversight	5,396,910	6,099,157
Total Program Costs—Federal Sector	46,577,480	51,930,253
Revenue	–	–
Net Cost—Federal Sector	46,577,480	51,930,253
Total, Private, Federal Sectors		
Program Costs	356,339,199	370,761,790
Revenue	(209,435)	(169,645)
Net Costs, Private, Federal Sectors	356,129,764	370,592,145
PREVENTING EMPLOYMENT DISCRIMINATION THROUGH EDUCATION AND OUTREACH		
Outreach:		
Fee Based	3,346,161	4,525,836
Non-Fee Based	518,111	7,834,644
Total Program Costs—Outreach	3,864,272	12,360,480
Revenue	(3,207,053)	(3,425,300)
Net Cost—Outreach	657,219	8,935,180
Totals, All Programs		
Program Costs	360,203,471	383,122,270
Revenue (Note 11)	(3,416,488)	(3,594,945)
Costs Not Assigned	–	–
Net Cost of Operations	**$ 356,786,983**	**$ 379,527,325**

The accompanying notes are an integral part of these statements.

CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION

For the Years Ended September 30, 2013 and 2012 (in dollars)

	FY 2013		
	Consolidated Funds from Dedicated Collections (Note 14)	Consolidated All Other Funds	Consolidated Total
CUMULATIVE RESULTS OF OPERATIONS			
Beginning Balances:	$ 2,492,669	$ (27,792,180)	$ (25,299,511)
Adjustments:			
Changes in Accounting Principles	–	–	–
Corrections of Errors	–	–	–
Beginning Balances, As Adjusted	$ 2,492,669	$ (27,792,180)	$ (25,299,511)
Budgetary Financing Sources:			
Other Adjustments	–	–	–
Appropriations Used	–	337,196,793	337,196,793
Non-Exchange Revenue	–	1,080	1,080
Donations and Forfeitures of Cash and Cash Equivalents	–	5,261	5,261
Transfers-In/Out Without Reimbursement (+/-)	–	–	–
Other	–	–	–
Other Financing Sources (Non-Exchange):			
Donations and Forfeitures of Property	–	–	–
Transfers-In/Out Without Reimbursement (+/-)	–	–	–
Imputed Financing (Note 15)	–	19,076,575	19,076,575
Other (+/-)	–	(1,080)	(1,080)
Total Financing Sources	–	356,278,629	356,278,629
Net Cost of Operations	624,683	(357,411,666)	(356,786,983)
Net Change	624,683	(1,133,037)	(508,354)
Cumulative Results of Operations	3,117,352	(28,925,217)	(25,807,865)
UNEXPENDED APPROPRIATIONS			
Beginning Balances:	$ –	$ 27,513,783	$27,513,783
Adjustments:			
Changes in Accounting Principles	–	–	–
Corrections of Errors	–	–	–
Beginning Balances, As Adjusted	$ –	$ 27,513,783	$ 27,513,783
Budgetary Financing Sources:			–
Appropriations Received (Note 12)	–	370,000,000	370,000,000
Appropriations Transferred-In/Out	–	–	–
Other Adjustments	–	(28,372,047)	(28,372,047)
Appropriations Used	–	(337,196,793)	(337,196,793)
Total Budgetary Financing Sources	–	4,431,160	4,431,160
Total Unexpended Appropriations	–	31,944,943	31,944,943
Net Position	**$ 3,117,352**	**$ 3,019,726**	**$ 6,137,078**

CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION

For the Years Ended September 30, 2013 and 2012 (in dollars) *(continued)*

	FY 2012		
	Consolidated Funds from Dedicated Collections (Note 14)	Consolidated All Other Funds	Consolidated Total
CUMULATIVE RESULTS OF OPERATIONS			
Beginning Balances:	$ 3,333,431	$ (27,992,741)	$ (24,659,310)
Adjustments:			
Changes in Accounting Principles	–	–	–
Corrections of Errors	–	–	–
Beginning Balances, As Adjusted	$ 3,333,431	$ (27,992,741)	$ (24,659,310)
Budgetary Financing Sources:			
Other Adjustments	–	–	–
Appropriations Used	–	358,428,095	358,428,095
Non-Exchange Revenue	–	5,946	5,946
Donations and Forfeitures of Cash and Cash Equivalents	–	–	–
Transfers-In/Out Without Reimbursement (+/-)	–	–	–
Other	–	–	–
Other Financing Sources (Non-Exchange):			
Donations and Forfeitures of Property	–	–	–
Transfers-In/Out Without Reimbursement (+/-)	–	–	–
Imputed Financing (Note 15)	–	20,460,314	20,460,314
Other (+/-)	–	(7,231)	(7,231)
Total Financing Sources	–	378,887,124	378,887,124
Net Cost of Operations	(840,762)	(378,686,563)	(379,527,325)
Net Change	(840,762)	200,561	(640,201)
Cumulative Results of Operations	2,492,669	(27,792,180)	(25,299,511)
UNEXPENDED APPROPRIATIONS			
Beginning Balances:	$ –	$ 28,793,935	$ 28,793,935
Adjustments:			
Changes in Accounting Principles	–	–	–
Corrections of Errors	–	–	–
Beginning Balances, As Adjusted	$ –	$ 28,793,935	$ 28,793,935
Budgetary Financing Sources:			–
Appropriations Received (Note 12)	–	360,000,000	360,000,000
Appropriations Transferred-In/Out	–	–	–
Other Adjustments	–	(2,852,057)	(2,852,057)
Appropriations Used	–	(358,428,095)	(358,428,095)
Total Budgetary Financing Sources	–	(1,280,152)	(1,280,152)
Total Unexpended Appropriations	–	27,513,783	27,513,783
Net Position	**$ 2,492,669**	**$ (278,397)**	**$ 2,214,272**

The accompanying notes are an integral part of these statements.

COMBINED STATEMENTS OF BUDGETARY RESOURCES

For the Years Ended September 30, 2013 and 2012 (in dollars)

	FY 2013	FY 2012
Budgetary Resources:		
Unobligated Balance Brought Forward, October 1	$ 11,468,501	$ 14,391,006
Recoveries of Prior Year Unpaid Obligations	3,964,269	3,803,692
Other Changes in Unobligated Balance (+ or -)	(2,590,877)	(2,852,057)
Unobligated Balance from Prior Year Budget Authority, Net	12,841,893	15,342,641
Appropriations (Discretionary and Mandatory) (Note 12)	344,218,830	360,000,000
Borrowing Authority (Discretionary and Mandatory)	–	–
Spending Authority from Offsetting Collections (Discretionary and Mandatory)	3,501,557	4,773,786
Total Budgetary Resources	$ 360,562,280	$ 380,116,427
Status of Budgetary Resources:		
Obligations Incurred (Note 13)	$ 349,057,308	$ 368,647,926
Unobligated Balance, End of Year:		
Apportioned	2,090,459	594,052
Exempt from Apportionment	–	–
Unapportioned	9,414,513	10,874,449
Unobligated Balance, End of Year	11,504,972	11,468,501
Total Budgetary Resources	$ 360,562,280	$ 380,116,427
Change in Obligated Balance:		
Unpaid Obligations, Brought Forward, October 1	$ 42,751,345	$ 42,190,850
Obligations Incurred	349,057,308	368,647,926
Outlays (Gross) (-)	(343,728,399)	(364,283,739)
Actual Transfers, Unpaid Obligations (Net) (+ or -)	–	–
Recoveries of Prior Year Unpaid Obligations (-)	(3,964,269)	(3,803,692)
Unpaid Obligations, End of Year	44,115,985	42,751,345
Uncollected Payments		
Uncollected Payments, Federal Sources, Brought Forward, October 1 (-)	(282,939)	(357,082)
Change in Uncollected Payments, Federal Sources (+ or -)	232,564	74,143
Actual Transfers, Uncollected Payments, Federal Sources (Net) (+ or -)	–	–
Uncollected Payments, Federal Sources, End of Year (-)	$ (50,375)	$ (282,939)
Memorandum (non-add) entries:		
Obligated Balance, Start of Year (+ or -)	42,468,406	41,833,768
Obligated Balance, End of Year (Net)	44,065,610	42,468,406
Budget Authority and Outlays, Net:		
Budget Authority, Gross (Discretionary and Mandatory)	$ 347,720,387	$ 364,773,786
Actual Offsetting Collections (Discretionary and Mandatory) (-)	(3,734,121)	(4,847,929)
Change in Uncollected Customer Payments from Federal Sources	–	–
(Discretionary and Mandatory) (+ or -)	232,564	74,143
Anticipated Offsetting Collections (Discretionary and Mandatory) (+ or -)	–	–
Budgetary Authority, Net (Discretionary and Mandatory)	$ 344,218,830	$ 360,000,000
Outlays, Gross (Discretionary and Mandatory)	$ 343,728,399	$ 364,283,739
Actual Offsetting Collections (Discretionary and Mandatory) (-)	(3,734,121)	(4,847,929)
Outlays, Net (Discretionary and Mandatory)	$ 339,994,278	$ 359,435,810

The accompanying notes are an integral part of these statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2013 and 2012

(in dollars)

(1) Summary of Significant Accounting Policies

(a) Reporting Entity

The Equal Employment Opportunity Commission (EEOC; Commission) was created by Title VII of the Civil Rights Act of 1964 (78 Stat. 253:42 U.S.C. 2000e, et seq.) as amended by the Equal Employment Opportunity Act of 1972 (Public Law 92261), and became operational on July 2, 1965. Title VII requires that the Commission be composed of five members, not more than three of whom shall be of the same political party. The members are appointed by the President of the United States of America, by and with the consent of the Senate, for a term of 5 years. The President designates one member to serve as Chairman and one member to serve as Vice Chairman. The General Counsel is also appointed by the President, by and with the advice and consent of the Senate for a term of 4 years.

In addition, based on the EEOC Education Technical Assistance and Training Revolving Fund Act of 1992 (P.L. 102-411), the EEOC is authorized to charge and receive fees to offset the costs of education, technical assistance and training.

The Commission is concerned with discrimination by public and private employers with 15 or more employees (excluding elected or appointed officials of state and local governments), public and private employment agencies, labor organizations with 15 or more members, or agencies which refer persons for employment or which represent employees of employers covered by the Act, and joint labor-management apprenticeship programs of covered employers and labor organizations. The Commission carries out its mission through investigation, conciliation, litigation, coordination, regulation in the federal sector, and through education, policy research, and provision of technical assistance.

(b) Basis of Presentation

These financial statements have been prepared to report the consolidated financial position, net cost of operations, changes in net position, and budgetary resources of the EEOC, consistent with the Chief Financial Officers' Act of 1990 (CFO Act) and the Government Management Reform Act of 1994. These financial statements have been prepared from the books and records of the EEOC in accordance with generally accepted accounting principles (GAAP) and the form and content requirements of the Office of Management and Budget (OMB) Circular No. A-136, and the EEOC's accounting policies, which are summarized in this note. All intra-agency transactions and balances have been eliminated, except in the Statement of Budgetary Resources, which is presented on a combined basis, as required by OMB Circular No. A-136. These consolidated financial statements present proprietary information while other financial reports also prepared by the EEOC pursuant to OMB directives are used to monitor and control the EEOC's use of federal budgetary resources.

(c) Basis of Accounting

The Commission's integrated Financial Cloud Solutions (FCS) uses Global Computer Enterprises, Inc. (GCE) Oracle, which has funds control, management accounting, and a financial reporting system designed specifically for federal agencies.

Financial transactions are recorded in the financial system, using both an accrual and a budgetary basis of accounting. Under the accrual method, revenues are recognized when earned and expenses are recognized when a liability occurs without regard to the receipt or payment of cash. Budgetary accounting facilitates compliance with legal requirements and mandated controls over the use of federal funds. It generally differs from the accrual basis of accounting in that obligations are recognized when new orders are placed, contracts are awarded, or services are received that will require payments during the same or future periods.

(d) Revenues, User Fees and Financing Sources

The EEOC receives the majority of the funding needed to support its programs through congressional appropriations. Financing sources are received in annual and no-year appropriations that may be used, within statutory limits, for operating and capital expenditures. Appropriations used are recognized as an accrual-based financing source when expenses are incurred or assets are purchased.

The EEOC also has a permanent, indefinite appropriation. These additional funds are obtained through fees charged to offset costs for education, training and technical assistance provided through the revolving fund. The fund is used to pay the cost (including administrative and personnel expenses) of providing education, technical assistance, and training by the Commission. Revenue is recognized as earned when the services have been rendered.

An imputed financing source is recognized to offset costs incurred by the EEOC and funded by another federal source, in the period in which the cost was incurred. The types of costs offset by imputed financing are: (1) employees' pension benefits; (2) health insurance, life insurance and other post-retirement benefits for employees; and (3) losses in litigation proceedings.

(e) Assets and Liabilities

Assets and liabilities presented on the EEOC's balance sheets include both entity and non-entity balances. Entity assets are assets that the EEOC has authority to use in its operations. Non-entity assets are held and managed by the EEOC, but are not available for use in operations. The EEOC's non-entity assets represent receivables that, when collected will be transferred to the U.S. Treasury.

Intra-governmental assets and liabilities arise from transactions between the Commission and other federal entities. All other assets and liabilities result from activity with non-federal entities.

Liabilities covered by budgetary or other resources are those liabilities of the EEOC for which Congress has appropriated funds, or funding is otherwise available to pay amounts due. Liabilities not covered by budgetary or other resources represent amounts owed in excess of available congressionally appropriated funds or other amounts. The liquidation of liabilities not covered by budgetary or other resources is dependent on future congressional appropriations or other funding.

(f) Fund Balance with the U.S. Treasury

Fund Balances with U.S. Treasury are fund balances remaining as of the fiscal year (FY)-end from which the EEOC is authorized to make expenditures and pay liabilities resulting from operational activity, except as restricted by law. The balance consists primarily of appropriated undelivered orders, accounts payables, unavailable balances, and deposit funds that will be disbursed to third parties. The EEOC records and tracks appropriated funds in its general funds. Also included in Fund Balance with U.S. Treasury are fees collected for services which are recorded and accounted for in the EEOC's revolving fund.

(g) Accounts Receivable

Accounts receivable consists of amounts owed to the EEOC by other federal agencies and from the public.

Intra-governmental accounts receivable represents amounts due from other federal agencies. The receivables are stated net of an allowance for estimated uncollectible amounts. The method used for estimating the allowance is based on analysis of aging of receivables and historical data.

Accounts receivable from non-federal agencies are stated net of an allowance for estimated uncollectible amounts. All public receivables, collectible in their entirety become due upon the receipt of a due process notice. Although the allowance is determined by the age of the receivable for financial statement reporting, the actual allowance is determined by considering the debtor's current ability to pay, their payment record and willingness to pay and an analysis of aged receivable activity. The estimated allowance for accounts receivable is computed as follows: Accounts receivable between 365 days and 720 days old are computed at 50% and those older than 720 days are calculated at 100%.

(h) Property, Plant and Equipment

Property, plant and equipment consist of equipment, leasehold improvements and capitalized software. There are no restrictions on the use or convertibility of property, plant and equipment.

For property, plant and equipment, the EEOC capitalizes equipment (including capital leases), with a useful life of more than 2 years and an acquisition cost of $100,000 or more. Leasehold improvements and capitalized software are capitalized when the useful life is 2 years or more and the acquisition cost is at least $200,000.

Expenditures for normal repairs and maintenance for capitalized equipment and capitalized leases are charged to expense as incurred unless the expenditure is equal to or greater than $100,000 and the improvement increases the asset's useful life by more than 2 years. For Leasehold improvements and capitalized software the amount must be greater than $200,000 and the improvements increases the asset life by more than 2 years.

Depreciation or amortization of equipment is computed using the straight-line method over the assets' useful lives ranging from 5 to15 years. Copiers are depreciated using a 5–year life. Computer hardware is depreciated over 10 to 12 years. Capitalized software is amortized over a useful life of 2 years. Amortization of capitalized software begins on the date it is put in service, if purchased, or when the module or component has been successfully tested if developed internally. Leasehold improvements are amortized over the remaining life of the lease.

The EEOC leases the majority of its office space from the General Services Administration. The lease costs approximate commercial lease rates for similar properties.

(i) Advances and Prepaid Expenses

Amounts advanced to EEOC employees for travel are recorded as an advance until the travel is completed and the employee accounts for travel expenses.

Expenses paid in advance of receiving services are recorded as a prepaid expense until the services are received.

(j) Accrued Annual, Sick and Other Leave and Compensatory Time

Annual leave, compensatory time and other leave time, along with related payroll costs, are accrued when earned, reduced when taken, and adjusted for changes in compensation rates. Sick leave is not accrued when earned, but rather expensed when taken.

(k) Retirement Benefits

EEOC employees participate in the Civil Service Retirement System (CSRS) or the Federal Employees' Retirement System (FERS). On January 1, 1987, FERS went into effect pursuant to Public Law 99–335. Most employees hired after December 31, 1983 are automatically covered by FERS and Social Security. Employees hired prior to January 1, 1984 could elect to either join FERS and Social Security or remain in CSRS.

For employees under FERS, the EEOC contributes an amount equal to 1% of the employee's basic pay to the tax deferred thrift savings plan and matches employee contributions up to an additional 5% of pay. FERS and CSRS employees can contribute $17,500 of their gross earnings to the plan, for the calendar years 2013 and $17,000 for 2012. However, CSRS employees receive no matching agency contribution. There is also an additional $5,500 that can be contributed as a "catch-up" contribution for those 50 years of age or older, for the calendar years 2013 and 2012.

The EEOC recognizes the full cost of providing future pension and Other Retirement Benefits (ORB) for current employees as required by SFFAS No. 5, *Accounting for Liabilities of the Federal Government*. Full costs include pension and ORB contributions paid out of EEOC appropriations and costs financed by the U.S. Office of Personnel Management (OPM). The amount financed by OPM is computed based on OPM guidance and recognized as an imputed financing source and benefit program expense. Reporting amounts such as plan assets, accumulated plan benefits, or unfunded liabilities, if any, is the responsibility of OPM.

Liabilities for future pension payments and other future payments for retired employees who participate in the Federal Employees Health Benefits Program (FEHB) and the Federal Employees Group Life Insurance Program (FEGLI) are reported by OPM rather than the EEOC.

(l) Workers' Compensation

A liability is recorded for estimated future payments to be made for workers' compensation pursuant to the Federal Employees' Compensation Act (FECA). The FECA program is administered by the U.S. Department of Labor, (DOL) which initially pays valid claims and subsequently seeks reimbursement from federal agencies employing the claimants. Reimbursements to the DOL on payments made occur approximately 2 years subsequent to the actual disbursement. Budgetary resources for this intra-governmental liability are made available to the EEOC as part of its annual appropriation from Congress in the year that reimbursement to the DOL takes place. A liability is recorded for actual unreimbursed costs paid by DOL to recipients under FECA.

Additionally, an estimate of the expected future liability for death, disability, medical and miscellaneous costs for approved compensation cases is recorded, as well as a component for claims that have been incurred but have not yet been reported. The EEOC computes this estimate using a DOL-provided model for non-CFO Act agencies that uses actual benefit payments for the EEOC from the past 9 to 12 quarters to project these future payments. The estimated liability is not covered by budgetary resources and will require future funding. This estimate is recorded as a noncurrent liability.

(m) Contingent Liabilities

Contingencies are recorded when losses are probable and the cost is measurable. When an estimate of contingent losses includes a range of possible costs, the most likely cost is reported, but where no cost is more likely than any other, the lowest possible cost in the range is reported.

(n) Amounts Collected for Restitution

The courts directed an individual to pay amounts to the EEOC as restitution to several claimants named in a court case. These monies will be paid to claimants as directed by the courts.

(o) Cost Allocations to Programs

Costs associated with the EEOC's various programs consist of direct costs consumed by the program, including personnel costs, and a reasonable allocation of indirect costs. The indirect cost allocations are based on actual hours devoted to each program from information provided by EEOC employees.

(p) Unexpended Appropriations

Unexpended appropriations include the unobligated balances and undelivered orders of the EEOC's appropriated spending authority as of the fiscal year-end that has not lapsed or been rescinded or withdrawn.

(q) Income Taxes

As an agency of the federal government, the EEOC is exempt from all income taxes imposed by any governing body, whether it is a federal, state, commonwealth, local, or foreign government.

(r) Use of Estimates

Management has made certain estimates and assumptions in reporting assets and liabilities and in the footnote disclosures. Actual results could differ from these estimates. Significant estimates underlying the accompanying financial statements include the allowance for doubtful accounts receivable, contingent liabilities and future workers' compensation costs.

(s) The FY 2012 financial statements were reclassified to conform to the FY 2013 financial statement presentation requirements and include changes in the presentation of the Consolidated Balance Sheet, Consolidated Statement of Changes in Net Position, and the Combined Statement of Budgetary Resources in accordance with the requirements of OMB Circular No. A–136, and the implementation of Federal Accounting Standards Advisory Board (FASAB) Statement of Federal Financial Accounting Standards (SFFAS) No. 43, "Funds from Dedicated Collections: Amending Statement of Federal Financial Accounting Standards 27, Identifying and Reporting Earmarked Funds." SFFAS No. 43 amended, among other things, the definition, terminology, presentation, and disclosure of Funds from Dedicated Collections (formerly called Earmarked Funds). In addition, FY 2012 amounts reported on the Consolidated Statement of Net Costs were reclassified to conform with the FY 2013 presentation by strategic goal. The reclassifications had no effect on total assets, liabilities, net position, net cost or budgetary resources as previously reported.

(2) Fund Balance with Treasury

The Department of the Treasury (Treasury) performs cash management activities for all federal agencies. The net activity represents Fund Balance with Treasury. The Fund Balance with Treasury represents the right of the EEOC to draw down funds from Treasury for expenses and liabilities. Fund Balance with Treasury by fund type as of September 30, 2013 and 2012 consists of the following:

Fund Type	FY 2013	FY 2012
Revolving funds	$ 3,087,605	$ 2,352,769
Appropriated funds	52,482,977	51,584,138
Other fund types	28,369	56,163
Totals	**$ 55,598,951**	**$ 53,993,070**

The status of the fund balance is classified as unobligated available, unobligated unavailable, or obligated. Unobligated funds, depending on budget authority, are generally available for new obligations in the current year of operations. The unavailable amounts are those appropriated in prior FYs, which are not available to fund new obligations. The obligated, but not yet disbursed, balance represents amounts designated for payment of goods and services ordered but not yet received, or goods and services received, but for which payment has not yet been made.

The Fund Balance with Treasury includes items for which budgetary resources are not recorded, such as deposit funds. These funds are shown in the table below as a Non-budgetary Fund Balance with Treasury.

The undelivered orders at the end of the period consist of $23,596,864 and $18,677,191 for FY 2013 and FY 2012, respectively.

Annual appropriation balances returned to Treasury along with balances classified as miscellaneous receipts are not included in EEOC's fund balance presented on its balance sheet. For FYs ended September 30, 2013 and 2012, funds in closed accounts of $2,590,877 and $2,852,057 were returned to Treasury. For FYs ended September 30, 2013 and 2012, miscellaneous receipts of $111,798 and $96,950 were returned to Treasury.

Status of Fund Balance with Treasury as of September 30, 2013 and 2012 consists of the following:

Status of Funds	FY 2013	FY 2012
Unobligated balance:		
Available	$ 2,090,459	$ 594,052
Unavailable	9,414,513	10,874,449
Obligated balance not yet disbursed	44,065,610	42,468,406
Non-budgetary Fund Balance with Treasury	28,369	56,163
Totals	**$ 55,598,951**	**$ 53,993,070**

(3) Accounts Receivable, Net

Intra-governmental accounts receivable due from federal agencies arise from the sale of services to other federal agencies. This sale of services generally reduces the duplication of effort within the federal government resulting in a lower cost of federal programs and services. While all receivables from federal agencies are considered collectible, an allowance for doubtful accounts is sometimes used to recognize the occasional billing dispute.

Accounts receivable due to the EEOC from the public arise from payroll debts and revolving fund education, training and technical assistance provided to public and private entities or state and local agencies. An analysis of accounts receivable is performed to determine collectability and an appropriate allowance for uncollectible receivables is recorded. Accounts receivable as of September 30, 2013 and 2012 are as follows:

	FY 2013	FY 2012
Intra-governmental:		
Accounts receivable (see detail below)	$ 50,375	$ 129,952
Allowance for uncollectible receivables	–	–
Totals	**$ 50,375**	**$ 129,952**

	FY 2013	FY 2012
With the public:		
Accounts receivable	$ 315,602	$ 504,405
Allowance for uncollectible receivables	(179,008)	(119,218)
Totals	**$ 136,594**	**$ 385,187**

Amounts due from various federal agencies are for accounts receivable as of September 30, 2013 and 2012. These are related to registered participants' training fees due to the revolving fund and appropriated interagency agreements as shown in the table below:

	FY 2013	FY 2012
Agency		
Department of Homeland Security	$ 7,375	$ 4,874
Consumer Product Safety Commission	7,000	–
Defense Agencies	6,635	6,810
Department of State	6,174	9,889
Judiciary	5,850	8,082
Department of Agriculture	4,409	–
Department of Health and Human Services	2,836	–
Central Intelligence Agency	1,949	–
General Services Administration	1,899	1,700
Department of the Interior	1,700	2,550
U.S. Treasury's General Fund	1,150	–
Department of Energy	975	975
Department of the Navy	850	61,775
Department of Labor	698	2,792

		FY 2013		FY 2012
Agency				
Department of Homeland Security	$	600	$	–
Department of the Treasury		275		–
Office of Special Counsel		–		19,450
Department of Transportation		–		4,875
Department of Education		–		4,135
Department of Justice		–		1,095
Other Independent Agencies		–		950
Totals	**$**	**50,375**	**$**	**129,952**

(4) Property, Plant and Equipment, Net

Property, plant and equipment consist of that property which is used in operations and consumed over time. The following tables summarize cost and accumulated depreciation of property, plant and equipment.

As of September 30, 2013		Cost		Accumulated Depreciation		Net Book Value
Equipment	$	908,432	$	(875,881)	$	32,551
Capital leases		193,910		(193,910)		–
Internal use software		4,134,204		(4,134,204)		–
Leasehold improvements		11,772,261		(5,971,445)		5,800,816
Totals	**$**	**17,008,807**	**$**	**(11,175,440)**	**$**	**5,833,367**

As of September 30, 2012		Cost		Accumulated Depreciation		Net Book Value
Equipment	$	908,432	$	(858,772)	$	49,660
Capital leases		193,910		(193,910)		–
Internal use software		4,134,204		(4,134,204)		–
Leasehold improvements		11,772,261		(4,867,853)		6,904,408
Totals	**$**	**17,008,807**	**$**	**(10,054,739)**	**$**	**6,954,068**

Depreciation expense for the periods ended September 30, 2013 and 2012 is:

	FY 2013		FY 2012
$	**1,120,701**	**$**	**1,174,726**

(5) Non-Entity Assets

The EEOC has $266 of net receivables to collect on behalf of the U.S. Treasury as of September 30, 2013, and $8,384 of net receivables to collect on behalf of the U.S. Treasury as of September 30, 2012.

(6) Liabilities Owed to Other Federal Agencies

As of September 30, 2013 and 2012, the following amounts were owed to other federal agencies:

Agency:	FY 2013	FY 2012
General Services Administration	$ 757,887	$ 691,049
Department of Transportation	443,633	–
Department of the Interior	61,093	112,847
Department of Labor	23,026	23,026
Department of Homeland Security	16,808	6,745
Department of Justice	7,625	–
Department of Health and Human Services	2,779	2,348
Office of Personnel Management	1,810	–
National Archives and Records	450	10,000
Government Printing Office	–	25,415
U.S. Army Corps of Engineers	(25)	(213)
Environmental Protection Agency	(6,044)	–
Totals	**$ 1,309,042**	**$ 871,217**

(7) Liabilities Not Covered by Budgetary Resources

Liabilities not covered by budgetary resources represent amounts owed in excess of available congressionally appropriated funds or other amounts.

Liabilities not covered by budgetary resources as of September 30, 2013 and 2012 are shown in the following table:

	FY 2013	FY 2012
Intra-governmental:		
Worker's compensation liability	$ 2,802,436	$ 2,794,487
Total intragovernmental	2,802,436	2,794,487
Accrued annual leave	18,765,203	18,698,273
Future worker's compensation liability	13,254,476	13,459,331
Total liabilities not covered by budgetary resources	34,822,115	34,952,091
Total liabilities covered by budgetary resources	20,714,958	24,359,002
Total Liabilities	**$ 55,537,073**	**$ 59,311,093**

(8) Liabilities Analysis

Current and non-current liabilities as of September 30, 2013 are shown in the following table:

	Current	Non-Current	Totals
Covered by Budgetary Resources:			
Intragovernmental:			
Accounts payable	$ 1,309,042	$ –	$ 1,309,042
Employer payroll taxes	954,580	–	954,580
Due to Treasury	–	–	–
Other liabilities	266	–	266
Total Intragovernmental	2,263,888	–	2,263,888
Accounts payable	13,344,911	–	13,344,911
Accrued payroll	4,653,544	–	4,653,544
Employer payroll taxes	311,908	–	311,908
Amounts collected for restitution	28,369	–	28,369
Deferred revenue	112,338	–	112,338
Other liabilities	–	–	–
Liabilities Covered by Budgetary Resources	20,714,958	**–**	20,714,958
Liabilities Not Covered by Budgetary Resources:			
Intragovernmental:			
Worker's compensation liability	1,575,179	1,227,257	2,802,436
Total Intragovernmental	1,575179	1,227,257	2,802,436
Accrued annual leave	18,765,203	–	18,765,203
Future worker's compensation liability	–	13,254,476	13,254,476
Capital lease liability	–	–	–
Liabilities Not Covered by Budgetary Resources	20,340,382	14,481,733	34,822,115
Total Liabilities	**$ 41,055,340**	**$ 14,481,733**	**$ 55,537,073**

Current and non-current liabilities as of September 30, 2012 are shown in the following table:

	Current	Non-Current	Totals
Covered by Budgetary Resources:			
Intragovernmental:			
Accounts payable	$ 871,217	$ –	$ 871,217
Employer payroll taxes	1,070,691	–	1,070,691
Due to Treasury	–	–	–
Other liabilities	8,384	–	8,384
Total Intragovernmental	1,950,292	–	1,950,292
Accounts payable	18,088,604	–	18,088,604
Accrued payroll	4,106,517	–	4,106,517
Employer payroll taxes	–	–	–
Amounts collected for restitution	56,163	–	56,163
Deferred revenue	117,163	–	117,163
Other liabilities	40,263	–	40,263
Liabilities Covered by Budgetary Resources	24,359,002	–	24,359,002
Liabilities Not Covered by Budgetary Resources:			
Intragovernmental:			
Worker's compensation liability	1,675,668	1,118,819	2,794,487
Total Intragovernmental	1,675,668	1,118,819	2,794,487
Accrued annual leave	18,698,273	–	18,698,273
Future worker's compensation liability		13,459,331	13,459,331
Capital lease liability	–	–	–
Liabilities Not Covered by Budgetary Resources	20,373,941	14,578,150	34,952,091
Total Liabilities	**$ 44,732,943**	**$ 14,578,150**	**$ 59,311,093**

(9) Contingent Liabilities

The EEOC is a party to various administrative proceedings, legal actions and claims that may eventually result in the payment of substantial monetary claims to third parties, or in the reallocation of material budgetary resources. Any financially unfavorable administrative or court decision could be funded from either the various claims to judgment funds maintained by the U.S. Treasury or paid by the EEOC

In FY 2013 and FY 2012, there is one claim for which it is probable that damages will be paid. This pending claim is for overtime to which employees claim they were entitled. An arbitrator has determined that the EEOC has some liability in this matter but the amount has not yet been determined and is unknown as of the date of the financial statements. In the opinion of the EEOC's management, the ultimate resolution of this pending litigation will not have a material effect on the EEOC's financial statements.

(10) Leases

Operating leases

The EEOC has several cancelable operating leases with the General Services Administration (GSA), for office space which do not have a stated expiration. The GSA charges rent that is intended to approximate commercial rental rates. Rental expenses for operating leases during FYs 2013 and 2012 are $27,947,290 and $27,888,290, respectively. The EEOC does not have any noncancellable operating leases with terms longer than one year.

(11) Earned Revenue

The EEOC charges fees to offset costs for education, training and technical assistance. These services are provided to other federal agencies, the public, and State and local agencies, as requested. In the chart below, the fees from services does not include intra-agency transactions. The Commission also has a small amount of reimbursable revenue from contracts with other federal agencies to provide on-site personnel. Revenue earned by the Commission as of September 30, 2013 and 2012 was as follows:

	FY 2013	FY 2012
Reimbursable revenue	$ 209,435	$ 169,645
Fees from services	3,207,053	3,425,300
Total Revenue	**$ 3,416,488**	**$ 3,594,945**

(12) Appropriations Received

Warrants received by the Commission as of September 30, 2013 and 2012 are:

FY 2013	FY 2012
$ 370,000,000	**$ 360,000,000**

The EEOC received the following warrant reductions for FYs 2013 and 2012:

	FY 2013	FY 2012
Across the board reductions	$ 7,671,010	$ –
Sequestration Reduction	18,110,160	–
Total warrant reductions	**$ 25,781,170**	**$ –**

(13) Obligations Incurred

Direct and Reimbursable obligations, by apportionment category, incurred as of September 30, 2013 and 2012 are:

Obligations	FY 2013	FY 2012
Direct A	$ 318,288,246	$ 334,164,524
Direct B	27,465,370	29,590,160
Subtotal direct obligations	345,753,616	363,754,684
Reimbursable A	3,303,692	4,893,242
Total Obligations	**$ 349,057,308**	**$ 368,647,926**

(14) Funds from Dedicated Collections (Permanent Indefinite Appropriations)

The Commission has permanent, indefinite appropriations from fees earned from services provided to the public and to other federal agencies. These fees are charged to offset costs for education, training and technical assistance provided through the revolving fund. This fund is a fund from dedicated collections and is accounted for separately from the other funds of the Commission. The fund is used to pay the cost (including administrative and personnel expenses) of providing education, technical assistance and training by the Commission. Revenue is recognized as earned when the services have been rendered by the EEOC.

Balance Sheet as of September 30, 2013 and 2012	FY 2013	FY 2012
ASSETS		
Fund Balance with Treasury	$3,087,605	$ 2,352,771
Accounts receivable (net of allowance)	123,173	247,364
Advances and prepaid expenses	47,068	47,944
TOTAL ASSETS	**$3,257,846**	**$2,648,079**
LIABILITIES		
Accounts payable	28,156	38,246
Deferred revenue	112,338	117,163
TOTAL LIABILITIES	**$140,494**	**$155,409**
NET POSITION		
Cumulative results of operations	3,117,352	2,492,670
TOTAL LIABILITIES AND NET POSITION	$ 3,257,846	$ 2,648,079

Statement of Net Cost for the Periods Ended September 30, 2013 and 2012	FY 2013	FY 2012
Program costs	$2,582,370	$ 4,266,062
Revenue	(3,207,053)	(3,425,300)
Net Cost (Revenue)	**$(624,683)**	**$ 840,762**

(15) Imputed Financing

OPM pays pension and other future retirement benefits on behalf of federal agencies for federal employees. OPM provides rates for recording the estimated cost of pension and other future retirement benefits paid by OPM on behalf of federal agencies. The costs of these benefits are reflected as imputed financing in the consolidated financial statements. The U.S. Treasury's Judgment Fund paid certain judgments on behalf of the EEOC in FY 2012. Expenses of the EEOC paid or to be paid by other federal agencies at September 30, 2013 and 2012 consisted of:

	FY 2013	FY 2012
Judgment Fund	$ –	$ 77,333
Office of Personnel Management:		
Pension expenses	9,341,286	8,712,626
Federal employees health benefits (FEHB)	9,702,705	11,635,919
Federal employees group life insurance (FEGLI)	32,584	34,436
Total Imputed Financing	**$19,076,575**	**$ 20,460,314**

(16) Gross Program Costs and Exchange Revenue:

The Consolidated Statements of Net Cost report the EEOC's gross costs less earned revenues to arrive at net cost of operations for each FY presented. The table below shows the value of exchange transactions between the EEOC and other federal entities as well as with the public. Intragovernmental and nongovernmental costs and revenues for FY 2013 and FY 2012 consisted of:

	FY 2013	FY 2012
Costs		
Office of Personnel Management	$ 55,781,333	$ 58,337,749
General Services Administration	32,049,002	34,189,729
U.S. Treasury's General Fund*	11,890,407	12,241,478
Department of Homeland Security	2,754,017	2,787,814
Department of the Interior	1,482,266	439,962
Department of Labor	1,461,275	1,189,811
Department of Transportation	655,669	82,754
Department of Health and Human Services	388,272	590,316
National Archives and Records Administration	76,390	80,279
Environmental Protection Agency	61,909	71,523
Other Independent Agencies	42,403	–
Department of Commerce	40,500	63,250
Library of Congress	38,189	50,424
Department of the Treasury	19,450	58,681
Department of Justice	7,625	(518)
National Labor Relations Board	3,114	4,174
National Science Foundation	1,815	256,719
Department of Agriculture	1,340	4,971
U.S. Army Corps of Engineers	213	2,125
Government Printing Office	–	65,415
Federal Retirement Thrift Investment Board	–	28,145
Intragovernmental costs	106,755,189	110,544,801
Public costs	253,448,282	272,577,469
Total Program Costs	**$ 360,203,471**	**$ 383,122,270**

**Funds paid to the U.S. Treasury's General Fund account for employer benefit costs for benefit programs administered by the Social Security Administration.*

	FY 2013	FY 2012
Revenue		
Defense Agencies	$ 177,775	$ 413,789
Department of the Interior	147,968	74,172
Department of Homeland Security	143,846	132,636
Social Security Administration	108,385	31,047
Department of Labor	63,057	80,091
Department of the Treasury	50,367	27,484
Department of Energy	50,043	90,210
Department of Health and Human Services	49,233	53,563
Department of Veterans Affairs	46,111	47,837
Office of Personnel Management	41,593	25,112
Department of Agriculture	40,179	106,192
Other Independent Agencies	38,863	268,607
Department of Transportation	35,194	39,171
Department of the Army	33,009	–
Environmental Protection Agency	32,168	5,817
Department of the Air Force	26,061	–
Department of Justice	23,795	65,700
Central Intelligence Agency	23,276	–
National Aeronautics and Space Administration	19,720	3,800
Department of the Navy	18,812	–
Government Printing Office	15,448	1,564
Department of State	11,786	6,951
General Services Administration	10,368	2,786
U.S. Postal Service	10,349	17,107
Tennessee Valley Authority	9,671	13,475
Consumer Product Safety Commission	9,100	–
Department of Commerce	8,615	13,465
Department of Housing and Urban Development	7,872	17,535
Equal Employment Opportunity Commission	7,736	–
Securities & Exchange Commission	7,640	–
Executive Office of the President	5,788	–
Federal Deposit Insurance Corporation	5,340	–
International Trade Commission	3,645	–
Department of Education	3,176	6,336
Nuclear Regulatory Commission	3,130	–
Railroad Retirement Board	2,925	–
Smithsonian Institution	2,789	–
Selective Service System	2,000	–
Federal Mediation and Conciliation Services	1,950	–

		FY 2013		FY 2012
Revenue				
National Science Foundation	$	1,804	$	–
U.S. Agency for International Development		1,644		–
Office of Special Counsel		975		–
U.S. Tax Court		975		–
Federal Maritime Commission		600		–
Federal Trade Commission		600		–
Merit Systems Protection Board		600		–
Armed Forces Retirement Home		319		–
Government Accountability Office		300		–
National Foundation on the Arts and the Humanities		300		–
Architect of the Capital		175		–
Judiciary		–		7,500
U.S. Treasury General Fund		(13,500)		–
Intragovernmental earned revenue		1,293,575		1,551,947
Public earned revenue		2,122,913		2,042,998
Total Program Earned Revenue (Note 11)		**3,416,488**		**3,594,945**
Net Cost of Operations	**$**	**356,786,983**	**$**	**379,527,325**

(17) Explanation of Differences between the Statement of Budgetary Resources and the Budget of the United States Government

Information from the President's Budget and the Combined Statement of Budgetary Resources for the period ended September 30, 2012 is shown in the following tables. A reconciliation is not presented for the period ended September 30, 2013, since the President's Budget for this period has not been issued by Congress.

The differences between the President's 2012 budget and the Combined Statement of Budgetary Resources for 2012 are shown below:

Dollars in millions		Budgetary Resources		Obligations		Outlays
As reported on the Combined Statement of Budgetary Resources for FY 2012	$	380	$	369	$	359
(a) Revolving fund collections not reported in the budget		(4)				4
(b) Obligations in the revolving fund (no-year fund) not included in the President's budget				(5)		(5)
(c) Carry-forwards and recoveries in the revolving fund (no-year fund) not included in the President's Budget		(2)				
(d) Carry-forwards and recoveries in expired funds		(18)				
(e) Obligations in expired funds				(4)		
(f) Canceled appropriations		3				
(g) Rounding differences		1				1
As reported in the President's Budget for FY 2012	**$**	**360**	**$**	**360**	**$**	**359**

(a) The EEOC's revolving fund provides training and charges fees to offset the cost. The collections are reported on the Combined Statement of Budgetary Resources as a part of total budgetary resources, but are not reported in the President's Budget.

(b) The obligations incurred by the revolving fund and no year fund are not a part of the President's Budget but are included in total obligations incurred in the Combined Statement of Budgetary Resources.

(c) Revolving funds and no-year funds have carry-overs of unobligated balances and recoveries of obligations that are included in total resources on the Combined Statement of Budgetary Resources, but are not included in the President's Budget.

(d) Expired funds have carry-overs of unobligated balances and recoveries of obligations that are included in total resources on the Combined Statement of Budgetary Resources until they are canceled, but are not included in the President's Budget.

(e) New obligations in expired funds are shown as a part of obligations incurred on the Combined Statement of Budgetary Resources, but are not included in the President's Budget.

(f) Canceled appropriations are not shown in the President's Budget, but are reported as a reduction to resources in the Combined Statement of Budgetary Resources.

(g) Difference due to rounding by millions.

(18) Reconciliation of Net Cost of Operations to Budget

The objective of the information shown below is to provide an explanation of the differences between budgetary and financial (proprietary) accounting. This is accomplished by means of a reconciliation of budgetary obligations and non-budgetary resources available to the EEOC with its net cost of operations.

	FY 2013	FY 2012
Resources Used to Finance Activities		
Current year gross obligations	$ 349,057,308	$ 368,647,926
Budgetary Resources from Offsetting Collections		
Spending authority from offsetting collections		
Actual offsetting collections	(3,734,121)	(4,847,929)
Change in receivables from Federal sources	232,564	74,143
Recoveries of prior year unpaid obligations	(3,964,269)	(3,803,692)
Other Financing Resources		
Imputed financing sources	19,076,575	20,460,314
Total Resources Used to Finance Activity	$ 360,668,057	$ 380,530,762
Resources Used to Finance Items Not Part of the Net Cost of Operations		
Budgetary Obligations and Resources not in the Net Cost of Operations		
Change in unfilled customer orders	(4,827)	46,559
Change in undelivered orders	(4,919,673)	(823,064)
Current year capitalized purchases	–	–
Change in deferred revenue	4,827	(46,559)
Change in nonfederal receivables	(94,872)	–
Change in donated revenue	5,261	–

		FY 2013		FY 2012
Components of the Net Cost of Operations which do not Generate or Use Resources in the Reporting Period Revenues without Current Year Budgetary Effect				
Other financing sources not in the budget	$	(19,076,575)	$	(20,460,314)
Costs without Current Year Budgetary Effect				
Depreciation and amortization		1,120,701		1,174,726
Disposition of assets		–		
Future funded expenses		74,879		(1,052,231)
Imputed costs		19,076,575		20,460,314
Bad debt expense		52,913		(29,972)
Other expenses not requiring budgetary resources		(120,283)		(272,896)
Net Cost of Operations	**$**	**356,786,983**	**$**	**379,527,325**

(19) Improper Payments Elimination and Recovery Act

The Improper Payments Information Act (IPIA) of 2002, as amended by the Improper Payments Elimination and Recovery Act (IPERA) of 2010, requires agencies to review all programs and activities they administer and identify those which may be susceptible to significant erroneous payments. For all programs and activities in which the risk of erroneous payments is significant, agencies are to estimate the annual amount of erroneous payments made in those programs. OMB guidance provided in Circular No. A–136 and Appendix C of Circular No. A–123 requires detailed information related to EEOC's Improper Payments Elimination Program, which is provided below.

In FY 2013, the EEOC reviewed the programs and activities it administers to identify those which may be susceptible to significant erroneous payments. The risk assessment included 1) consideration of certain risk factors that are likely to contribute to a susceptibility to significant improper payments, and 2) transaction testing on a sample basis of payments made during FY 2013. The risk assessment was performed for the following programs:

Vendor payments (includes a separate review of travel payments).

Based on the results of transaction testing applied to a sample of payments, consideration of risk factors, and reliance on the internal controls in place over the payment process, the EEOC determined that none of its programs and activities are susceptible to significant improper payments at or above the threshold levels set by OMB. Significant erroneous payments are defined as annual erroneous payments in the program exceeding both $10 million and 2.5 percent or $100 million of total annual program payments. In accordance with Appendix C of Circular A–123, the EEOC is not required to determine a statistically valid estimate of erroneous payments or develop a corrective action plan if the program is not susceptible to significant improper payments.

In FY 2013, EEOC's testing of its payments resulted in improper payment percentages that were well below one-half percent and less than $30,000.

Since the level of risk of erroneous payment is determined to be low and baseline estimates have been established, the EEOC is only required to conduct a formal risk assessment every three years unless the program experiences a

significant change. The EEOC will conduct a follow on review in FY 2014 of its programs and activities to determine whether the programs have experienced any unexpected changes. If so, the EEOC will re-assess the programs' risk susceptibility and make a statistically valid estimate of erroneous payments for any programs determined to be susceptible to significant erroneous payments.

Recapture of Improper Payments

The EEOC does not administer grant, benefit or loan programs. Implementation of recapture auditing, if determined to be cost-effective, would apply to vendor payments. Because the definition of payment in the new IPERA legislation means any payment or transfer of Federal funds to any non-Federal person or entity, the EEOC is not required to review, and has not reviewed, intra-governmental transactions and payments to employees.

The EEOC has determined that implementing a payment recapture audit program for vendor payments is not cost-effective. That is, the benefits or recaptured amounts associated with implementing and overseeing the program do not exceed the costs, including staff time and resources, or payments to a contractor for implementation, of a payment recapture audit program. In making this determination, the EEOC considered its low improper payment rate based on testing conducted in FY 2013. The EEOC also considered whether sophisticated software and other cost-efficient matching techniques could be used to identify significant overpayments at a low cost per overpayment, or if labor intensive manual reviews of paper documentation would be required. In addition, the EEOC considered the availability of tools to efficiently perform the payment recapture audit and minimize payment recapture audit costs, and determined such tools to not be cost effective.

The EEOC will continue to monitor its improper payments across all programs and activities it administers and assess whether implementing payment recapture audits for each program is cost-effective. If through future risk assessments the agency determines a program is susceptible to significant improper payments and implementing a payment recapture program may be cost-beneficial, the EEOC will implement a pilot payment recapture audit to measure the likelihood of cost-effective payment recapture audits on a larger scale.

Even though the EEOC has determined that implementing a payment recapture audit program for its programs is not cost-effective, the agency strives to recover any overpayments identified through other sources, such as payments identified through statistical samples conducted under the IPIA. The amounts identified and recovered, by program, are shown below.

Overpayments Recaptured (in dollars)

Source	Amount Identified FY 2013	Amount Recovered FY 2013	Cumulative Identified	Cumulative Recovered
Travel payments	$ 3,938	$ 2,794	$ 3,938	$ 2,794
Vendor payments	$ –	$ –	$ –	$ –

APPENDICES

Appendix A: Organization and Jurisdiction

The U.S. Equal Employment Opportunity Commission is a bipartisan Commission comprised of five presidentially-appointed members, including the Chair, Vice Chair, and three Commissioners. The Chair is responsible for the administration and implementation of policy and the financial management and organizational development of the Commission. The Commissioners participate equally in the development and approval of Commission policies, issue charges of discrimination where appropriate, and authorize the filing of some lawsuits. In addition to the Commissioners, the President appoints a General Counsel to support the Commission and provide direction, coordination, and supervision to the EEOC's litigation program. A brief description of major program areas is provided on the following pages.

When the Commission first opened its doors in 1965, it was charged with enforcing the employment provisions of the landmark Civil Rights Act of 1964. The EEOC's jurisdiction over employment discrimination issues has since grown and now includes the following areas:

- **Title VII of the Civil Rights Act of 1964**, which prohibits employment discrimination on the basis of race, color, religion, sex, and national origin.

- **Pregnancy Discrimination Act**, which amended Title VII to clarify that discrimination on the basis of pregnancy, childbirth, or related medical conditions constitutes sex discrimination and requires employers to treat pregnancy and pregnancy-related medical conditions as any other medical disability with respect to terms and conditions of employment, including health benefits.

- **Equal Pay Act of 1963 (included in the Fair Labor Standards Act)**, which prohibits sex discrimination in the payment of wages to men and women performing substantially equal work in the same establishment.

- **Age Discrimination in Employment Act of 1967**, which protects workers 40 and older from discrimination in hiring, discharge, pay, promotions, fringe benefits, and other aspects of employment. ADEA also prohibits the termination of pension contributions and accruals on account of age and governs early retirement incentive plans and other aspects of benefits planning and integration for older workers.

- **Title I and Title V of the Americans with Disabilities Act of 1990, as amended by the Americans with Disabilities Act Amendments Act of 2008**, which prohibits discrimination by private sector respondents and state and local governments against qualified individuals on the basis of disability.

- **Rehabilitation Act of 1973**, which prohibits discrimination on the basis of disability in the federal government.

- **Title II of the Genetic Information Nondiscrimination Act**, which prohibits employment discrimination on the basis of an applicant's or employee's genetic information, generally prohibits acquisition of genetic information from applicants and employees, and requires covered entities to keep such information confidential.

- **Lilly Ledbetter Fair Pay Act of 2009**, which overturned adverse Supreme Court precedent and restored the EEOC's long-held position on the timeliness of pay discrimination claims.

The **Office of Field Programs**, the **Office of General Counsel**, and **53 field offices**, insure that the EEOC effectively enforces the statutory, regulatory, policy, and program responsibilities of the Commission through a variety of resolution methods tailored to each charge. Staff is responsible for achieving a wide range of objectives, which focus on the quality, timeliness, and

appropriateness of individual, class, and systemic charges and for securing relief for victims of discrimination in accordance with Commission policies. Staff also counsel individuals about their rights under the laws enforced by the EEOC and conduct outreach and technical assistance programs. The **Office of General Counsel** conducts litigation in federal district courts and in the federal courts of appeals.

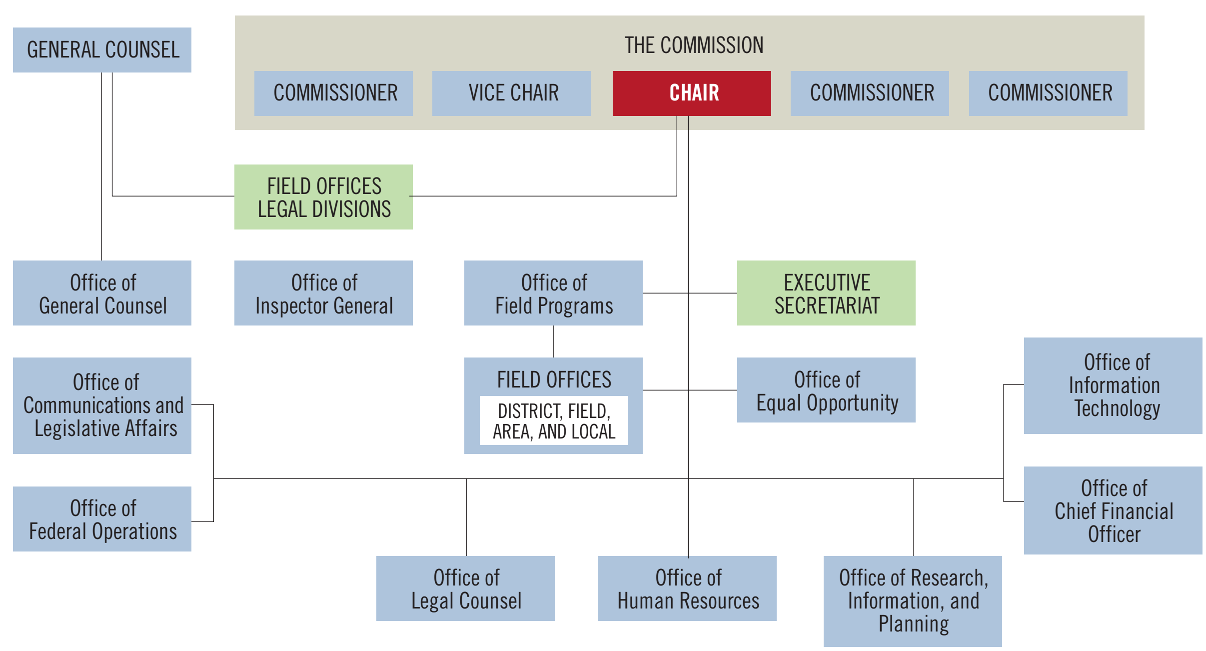
Additionally, through the **Office of Field Program's State and Local Program**, the EEOC maintains work sharing agreements and a contract services program with 94 state and local **Fair Employment Practices Agencies (FEPAs)** for the purpose of coordinating the investigation of charges dual-filed under state and local laws and federal law, as appropriate. The EEOC partners with more than 60 **Tribal Employment Rights Offices (TEROs)** to promote equal employment opportunity on or near Indian reservations.

The **Office of Legal Counsel** develops policy guidance, provides technical assistance to employers and employees, and coordinates with other agencies and stakeholders regarding the statutes and regulations enforced by the Commission. The Office of Legal Counsel also includes an external litigation and advice division and a Freedom of Information Act unit.

Through its **Office of Federal Operations**, the EEOC provides leadership and guidance to federal agencies on all aspects of the federal government's equal employment opportunity program. This office assures federal agency and department compliance with EEOC regulations, provides technical assistance to federal agencies concerning EEO complaint adjudication, monitors and evaluates federal agencies' affirmative employment programs, develops and distributes federal sector educational materials and conducts training for stakeholders, provides guidance and assistance to EEOC administrative judges who conduct hearings on EEO complaints, and adjudicates appeals from administrative decisions made by federal agencies on EEO complaints.

The EEOC receives a congressional appropriation to fund the necessary expenses of enforcing civil rights legislation, as well as performing the prevention, outreach, and coordination of activities within the private and public sectors. In addition, the EEOC maintains a Training Institute for technical assistance programs. These programs provide fee-based education and training relating to the laws administered by the Commission.

EEOC Organization



Jacqueline A. Berrien, Chair

Jacqueline A. Berrien was sworn in as Chair of the U.S. Equal Employment Opportunity Commission (EEOC) on April 7, 2010. President Barack Obama nominated Berrien on July 16, 2009, to a term ending July 1, 2014. In announcing her nomination, the President said that Berrien "has spent her entire career fighting to give voice to underrepresented communities and protect our most basic rights." President Obama signed a recess appointment for her on March 27, 2010. She received a recess appointment to the position on March, 27, 2010, and was confirmed by the Senate for her full term on December 22, 2010.

Chair Berrien comes to the EEOC from the NAACP Legal Defense and Educational Fund (LDF), where she served as Associate Director-Counsel for five and a half years. In that position, she reported directly to the organization's President and Director-Counsel and assisted with the direction and implementation of LDF's national legal advocacy and scholarship programs.

Chair Berrien is a graduate of Harvard Law School, where she served as a General Editor of the Harvard Civil Rights-Civil Liberties Law Review. She received her Bachelor of Arts degree with High Honors in government from Oberlin College and also completed a major in English. In her junior year at Oberlin she received the Harry S. Truman Scholarship in recognition of her leadership potential and commitment to a career in public service. She is a native of Washington, D.C. and has lived in Brooklyn, NY, with her husband, Peter M. Williams since 1987.

For more information about Chair Berrien, please see: www.eeoc.gov/eeoc/berrien.cfm

Constance S. Barker, Commissioner

Constance Smith Barker has been a member of the Commission since 2008. She was nominated by President George W. Bush on March 31, 2008, and unanimously confirmed by the Senate on June 27, 2008 to serve the remainder of a five-year term expiring on July 1, 2011. On May 19, 2011, Ms. Barker was nominated by President Barack Obama to serve a second term to expire on July 1, 2016. The nomination to the second term was unanimously confirmed by the United States Senate on September 26, 2011.

Prior to her appointment to the Commission, Ms. Barker was a shareholder for 13 years at the law firm of Capell & Howard, P.C. in Montgomery, Alabama. As a member of the firm's Labor and Employment Section, she provided advice and counsel to businesses and defended businesses sued for employment discrimination. She also provided training on state and federal employment discrimination laws. Her public sector experience includes serving for four years as a prosecutor in the 11th Judicial Circuit and later in the 13th Judicial Circuit of Alabama. As an Assistant District Attorney she tried numerous jury and bench trials. Ms. Barker also served for 11 years as General Counsel to the Mobile County Public School System, a large city and county school system. Ms. Barker also served as a part-time municipal judge for two municipalities in Mobile, Ala. and was actively involved in Mobile's juvenile justice system.

A native of Florence, Ala., Ms. Barker was awarded a juris doctor from the University of Alabama School of Law in 1977. She received a bachelor's degree from Notre Dame University in 1973, where she was in the first class of women to graduate from that previously all-male institution. While at Notre Dame, she also studied for a year in Angers, France at l'Université Catholique de l'Ouest.

For more information about Commissioner Barker, please see: www.eeoc.gov/eeoc/barker.cfm

Chai R. Feldblum, Commissioner

Chai R. Feldblum was nominated to serve as a Commissioner of the EEOC by President Barack Obama on September 15, 2009 for a term ending on July 1, 2013. On March 27, 2010, she was given a recess appointment to the post, and was sworn in on April 7, 2010. She was confirmed by the Senate for her term on December 22, 2010.

Prior to her appointment to the EEOC, Ms. Feldblum was a Professor of Law at the Georgetown University Law Center where she had taught since 1991. At Georgetown, she founded the Law Center's Federal Legislation and Administrative Clinic, a program designed to train students to become legislative lawyers. As Co-Director of Workplace Flexibility 2010, Ms. Feldblum has worked to advance flexible workplaces in a manner that works for employees and employers. Commissioner Feldblum also previously served as Legislative Counsel to the AIDS Project of the American Civil Liberties Union. In this role, she developed legislation, analyzed policy on various AIDS-related issues, and played a leading role in drafting the ground-breaking Americans with Disabilities Act of 1990. Later, as a law professor, she was equally instrumental helping in the passage of the ADA Amendments Act of 2008.

Ms. Feldblum has also worked on advancing lesbian, gay, bisexual and transgender rights and has been a leading expert on the Employment Nondiscrimination Act. She clerked for Judge Frank Coffin of the First Circuit Court of Appeals and for Supreme Court Justice Harry A. Blackmun after receiving her J.D. from Harvard Law School. She received her B.A. degree from Barnard College.

For more information about Commissioner Feldblum, please see: www.eeoc.gov/eeoc/feldblum.cfm

Victoria A. Lipnic, Commissioner

Victoria A. Lipnic was nominated to serve as a Commissioner of the EEOC by President Barack Obama on November 3, 2009. She was nominated for a term ending on July 1, 2010, and has been confirmed by the Senate for a second term ending on July 1, 2015.

Immediately before coming to the EEOC, Ms. Lipnic was of counsel to the law firm of Seyfarth Shaw LLP in its Washington, DC, office. She brings to the EEOC a breadth of experience working with federal labor and employment laws, most recently as the U.S. Assistant Secretary of Labor for Employment Standards, a position she held from 2002 until 2009. In that position, Ms. Lipnic oversaw the Wage and Hour Division, the Office of Federal Contract Compliance Programs, the Office of Workers' Compensation Programs, and the Office of Labor Management Standards. Under her tenure, the Wage and Hour Division revised regulations regarding overtime under the Fair Labor Standards Act, reissued regulations under the Family and Medical Leave Act, and the Office of Federal Contract Compliance Programs issued new guidance and regulations for evaluating compensation discrimination.

A native of Carrolltown, Penn., where her late father was a teacher and long-serving mayor, Ms. Lipnic earned a B.A. degree in Political Science and History from Allegheny College and a J.D. degree from George Mason University School of Law.

For more information about Commissioner Lipnic, please see: www.eeoc.gov/eeoc/lipnic.cfm

Jenny Yang, Commissioner

Ms. Yang was nominated by President Barack Obama on August 2, 2012, and was unanimously confirmed by the Senate on April 25, 2013, to serve a term expiring July 1, 2017. Throughout her career in the private, government, and nonprofit sectors, Ms. Yang has worked to ensure fairness and equal opportunity in the workplace. Ms. Yang was a partner of Cohen, Milstein, Sellers & Toll PLLC. She joined the firm in 2003, and has represented thousands of employees across the country in numerous complex civil rights and employment actions. As chair of the firm's hiring and diversity committee, Ms. Yang has experience with the numerous issues employers confront in making hiring and other personnel decisions.

Prior to that, Ms. Yang served as a Senior Trial Attorney with the U.S. Department of Justice, Civil Rights Division, Employment Litigation Section, where she enforced federal laws prohibiting discrimination in employment by state and local government employers from 1998 to 2003. Before that, she worked at the National Employment Law Project to enforce the workplace rights of garment workers. Ms. Yang clerked for the Honorable Edmund Ludwig on the United States District Court for the Eastern District of Pennsylvania.

Ms. Yang received her B.A. from Cornell University in Government. She received her J.D. from New York University School of Law, where she was a Note and Comment Editor of the Law Review and a Root-Tilden Public Interest Scholar.

For more information about Commissioner Yang, please see: www.eeoc.gov/eeoc/yang.cfm

P. David Lopez, General Counsel

P. David Lopez was sworn in on April 8, 2010, as General Counsel of the U.S. Equal Employment Opportunity Commission (EEOC). He was nominated by President Obama on Oct. 22, 2009, and given a recess appointment on March 27, 2010, and confirmed by the Senate on December 22, 2010.

Mr. Lopez is the first field staff attorney to be appointed as General Counsel, having served in the Commission for 15 years in the field and at headquarters. Prior to his appointment, Mr. Lopez was a Supervisory Trial Attorney at the Commission's Phoenix District Office, where he oversaw the litigation of a team of trial attorneys. When Mr. Lopez initially joined the Commission 1996, he served as Special Assistant to then-Chairman Gilbert F. Casellas in Washington, D.C. In this capacity, he advised Chairman Casellas on policy and litigation matters and helped develop the agency's strategic plan for development of pattern or practice cases.

Immediately prior to joining the Commission, Mr. Lopez was a Senior Trial Attorney with the Civil Rights Division, Employment Litigation Division, of the U.S. Department of Justice in Washington, D.C. between 1991 and 1994. In this capacity, he litigated employment discrimination cases against state and local governments in numerous jurisdictions throughout the United States on behalf of the Department of Justice.

Mr. Lopez graduated from Harvard Law School in 1988 and graduated magna cum laude from Arizona State University in 1985, with a B.S. in Political Science. He has been married 19 years to Maria Leyva. They have three children, Javier David, Julian Diego and Luis Andres.

For more information about General Counsel Lopez, please see: www.eeoc.gov/eeoc/lopez.cfm

Appendix C: Glossary of Acronyms

ADA	Americans with Disabilities Act of 1990
ADAAA	Americans with Disabilities Act Amendments Act of 2008
ADEA	Age Discrimination in Employment Act of 1967
ADR	Alternative Dispute Resolution
AJ	Administrative Judge
CFO	Chief Financial Officer
CHCO	Chief Human Capital Officer
DMS	Document Management System
EEO	Equal Employment Opportunity
EEOC	Equal Employment Opportunity Commission
EPA	Equal Pay Act of 1963
EXCEL	Examining Conflicts in Employment Laws
FEPA	Fair Employment Practice Agency
FLSA	Fair Labor Standards Act
FMFIA	Federal Managers Financial Integrity Act
FOIA	Freedom of Information Act
FTE	Full-Time Equivalent
GINA	Genetic Information Nondiscrimination Act of 2008
GSA	General Services Administration
IIG	Intake Information Group
IFMS	Integrated Financial Management System
IMS	Integrated Mission System
OFO	Office of Federal Operations
OFP	Office of Field Programs
OGC	Office of General Counsel
OIG	Office of Inspector General
OMB	Office of Management and Budget
OPM	Office of Personnel Management
PMA	President's Management Agenda
PCHP	Priority Charge Handling Procedures
TAPS	Technical Assistance Program Seminar
TERO	Tribal Employment Rights Offices
UAM	Universal Agreement to Mediate

Appendix D: Internet Links

EEOC: http://www.eeoc.gov/

Past EEOC Performance and Accountability Reports: http://www.eeoc.gov/eeoc/plan/archives/annualreports/index.cfm

EEOC Strategic Plan: http://www.eeoc.gov/eeoc/plan/strategic_plan_12to16.cfm

EEOC FY 2012 Performance Budget: http://www.eeoc.gov/eeoc/plan/2012budget.cfm

Past EEOC Performance Budgets: http://www.eeoc.gov/eeoc/plan/archives/budgets/index.cfm

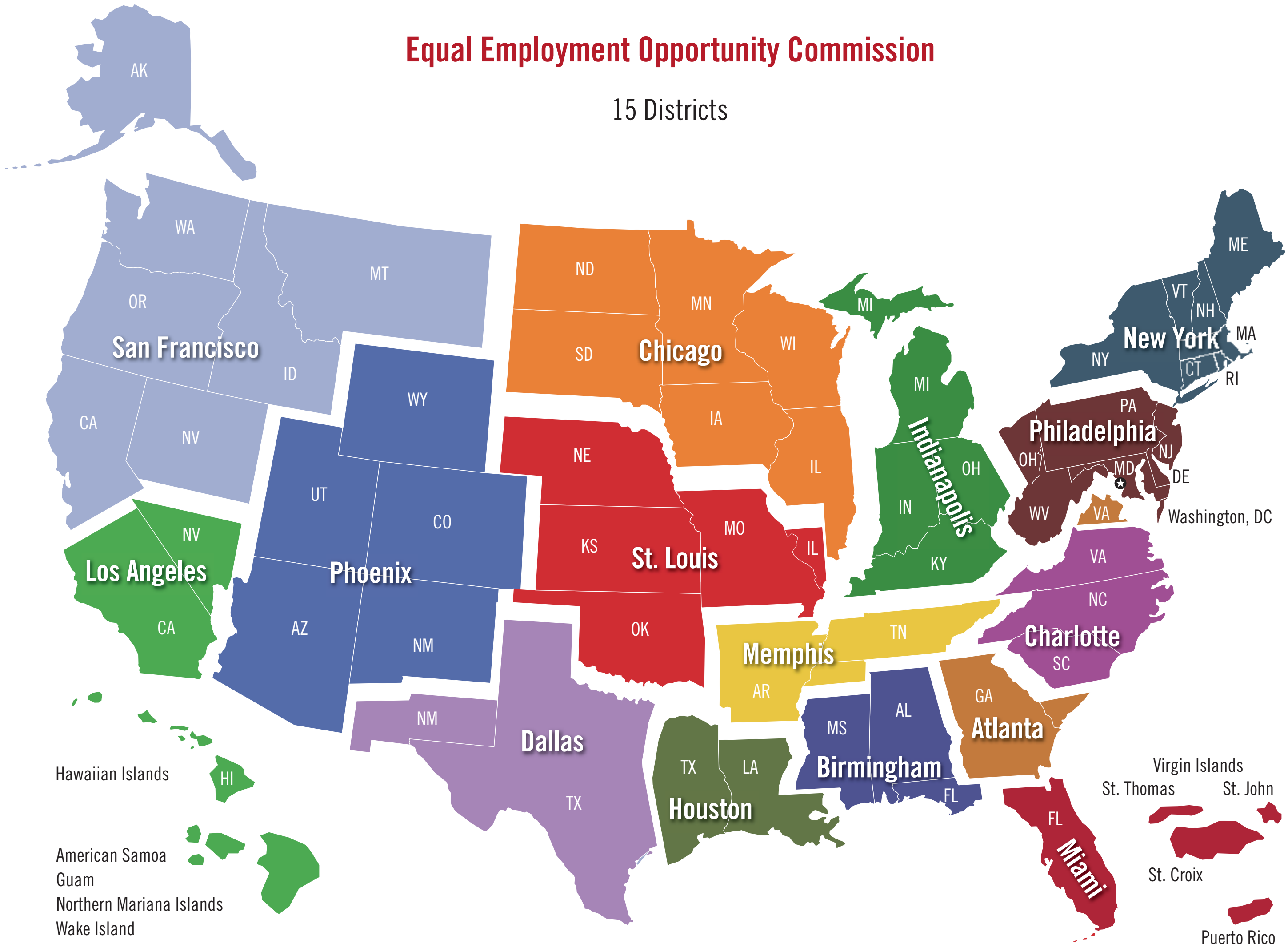
EEOC Annual Report on the Federal Workforce: http://www.eeoc.gov/federal/reports/fsp2008/index.html

EEOC Open Government Plan: http://www.eeoc.gov/open/index.cfm

EEOC Statistics: http://www.eeoc.gov/eeoc/statistics/index.cfm

Equal Employment Opportunity Commission

15 Districts



Atlanta District Office
Savannah Local Office

Birmingham District Office
Jackson Area Office
Mobile Local Office

Charlotte District Office
Raleigh Area Office
Greensboro Local Office
Greenville Local Office
Norfolk Local Office
Richmond Local Office

Chicago District Office
Milwaukee Area Office
Minneapolis Area Office

Dallas District Office
San Antonio Field Office
El Paso Area Office

Houston District Office
New Orleans Field Office

Indianapolis District Office
Detroit Field Office
Cincinnati Area Office
Louisville Area Office

Los Angeles District Office
Fresno Local Office
Honolulu Local Office
Las Vegas Local Office
San Diego Local Office

Memphis District Office
Little Rock Area Office
Nashville Area Office

Miami District Office
Tampa Field Office
San Juan Local Office

New York District Office
Boston Area Office
Newark Area Office
Buffalo Local Office

Philadelphia District Office
Baltimore Field Office
Cleveland Field Office
Pittsburgh Area Office

Phoenix District Office
Albuquerque Area Office
Denver Field Office

San Francisco District Office
Seattle Field Office
Oakland Local Office
San Jose Local Office

St. Louis District Office
Kansas City Area Office
Oklahoma City Area Office

Washington Field Office

ACKNOWLEDGMENTS

The EEOC's FY 2012 Performance and Accountability Report is a collaborative endeavor on the part of many EEOC employees and contractors. The Commission would like to acknowledge and thank them for their hard work and commitment in successfully preparing this report and in supporting the audit of the financial statements.

WE WELCOME YOUR COMMENTS

Thank you for your interest in the EEOC's FY 2012 Performance and Accountability Report. We welcome your comments on how we can make this report more informative for our readers. Please send your comments to:

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U.S. Equal Employment Opportunity Commission

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