

INTRODUCTION

This annual report covers the period of October 1, 2006 through September 30, 2007, and outlines the Department of the Treasury's equal employment opportunity (EEO) program activities. The report highlights Treasury's accomplishments during Fiscal Year (FY) 2007 in reaching our goals of an inclusive work environment and in promoting the concepts of equal opportunity for all of our employees and customers, and identifies areas for improvement. Treasury is committed to a work force environment that values diversity and fosters the talent and capabilities of all its employees. Although Treasury has made significant strides in diversity, there is still much work that needs to be done. The Office of Civil Rights and Diversity (OCRD) will continue to work with all our stakeholders -- employees, supervisors, managers and customers -- to attain a model workplace.

THE OFFICE OF CIVIL RIGHTS AND DIVERSITY

The Office of Civil Rights and Diversity (formerly, the Office of Equal Opportunity Program) provides leadership, direction and guidance in carrying out the Department of the Treasury's equal employment opportunity, diversity and civil rights responsibilities. OCRD administers the Department-wide equal employment opportunity and diversity (EEO) program by providing policy, oversight and technical guidance for Treasury's bureaus, including the Departmental Offices, on affirmative employment, special emphasis program areas, diversity, and EEO complaint processing.

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

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

WORK FORCE DIVERSITY

In order to achieve our strategic mission as the steward of America's economic and financial systems, Treasury must attract, develop and retain the best people from every background and community in our great nation. Treasury's success in utilizing the full potential of available talent depends on fostering diversity in our work force, managing it effectively and valuing what each of our employees has to offer. Managing diversity at the Department of the Treasury involves creating and maintaining a work environment that (1) attracts the widest pool of talent; (2) provides opportunities for all employees to maximize their potential and contribute to the agency's mission; and (3) ensures all employees are treated with respect and dignity.

Treasury works proactively to incorporate diversity management into daily operations. The Department's corporate-wide Diversity Strategy (implemented in March 2004) concentrates on four primary areas: recruitment, hiring, retention, and accountability. This strategy offers comprehensive guidance on the Department's goals, objectives, and outcomes regarding cross-cutting issues directly linked to Treasury's Strategic Plan and Treasury's Human Capital Plan. It also sets forth our business case for diversity and provides a roadmap of challenges and external factors that we need to consider as we work toward achieving Department-wide diversity goals.

During FY 2007, Treasury conducted a Human Capital (HC) offsite with its bureau EEO and Human Resources Officers which identified four goals for the FY 2008 HC Operating Plan:

(1) **Attracting Talent:** Ensure that Treasury is recruiting a high quality and diverse work force by enhancing the Treasury brand and outreach efforts and by streamlining hiring business processes.

(2) **Developing Talent:** Develop Treasury's work force to meet current and future organizational needs by identifying and developing emerging leaders, closing skills gaps, and building bench strength at all levels.

(3) **Retaining Talent:** Enhance Treasury's ability to retain our skilled and dedicated employees by identifying and addressing impediments to retention and creating career opportunities.

(4) **Transforming the Human Capital Occupation:** Transforming the role of the Human Capital professional to a more consultative/strategic partner and less process oriented role.

Initiatives Treasury will pursue in FY 2008 as part of its Human Capital Operating Plan are:

(1) Tracking bureau progress on meeting disability hiring goals established in FY 2007.

(2) Enhancement of the Treasury website.

(3) Design and deployment of an Exit Interview survey.

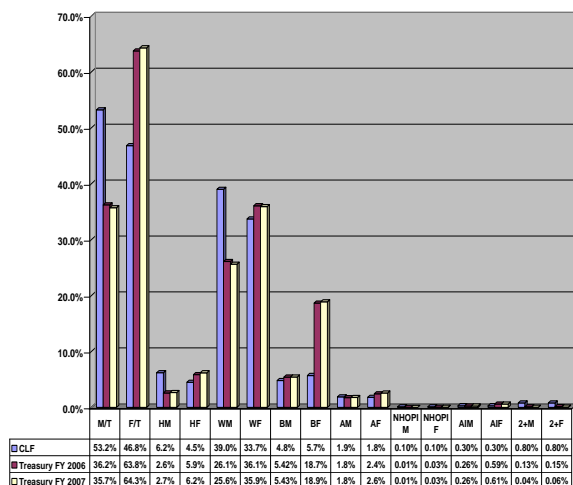
(4) Development of an Outreach Plan to ensure we are reaching a diverse pool of applicants.

DEMOGRAPHICS

As demonstrated in the following chart, Treasury's permanent work force is 35.7% male, which is below the 2000 Civilian Labor Force (CLF)¹ availability rate of 53.2%, and 61.5% of the work force is White, which is below the CLF availability rate of 72.7%.

¹ Civilian Labor Force (CLF) is derived from the decennial census reflecting persons 16 years of age or older who are employed or seeking employment, excluding those in the Armed Services. The CLF is based on the 2000 Census and is not adjusted for citizenship.

**Permanent Work Force Demographics
FY 2006 / 2007**



While women at 64.3% and non-Whites at 38.5% are well represented in the total, permanent Treasury work force, a closer look reveals that these groups are concentrated in the lower grades. Only 27.81% of Treasury’s permanent employees hold positions at or above the GS-13 level, with 72.19% of Treasury’s permanent employees holding lower graded positions.²

Of the 78,650 positions at or below the GS-12 level, women occupied 72.29% (FY 2006: 77.9%) of General Schedule (GS) positions at or below the GS-12 level, compared to men who occupied 27.1% (FY 2006: 28.1%) of these positions.

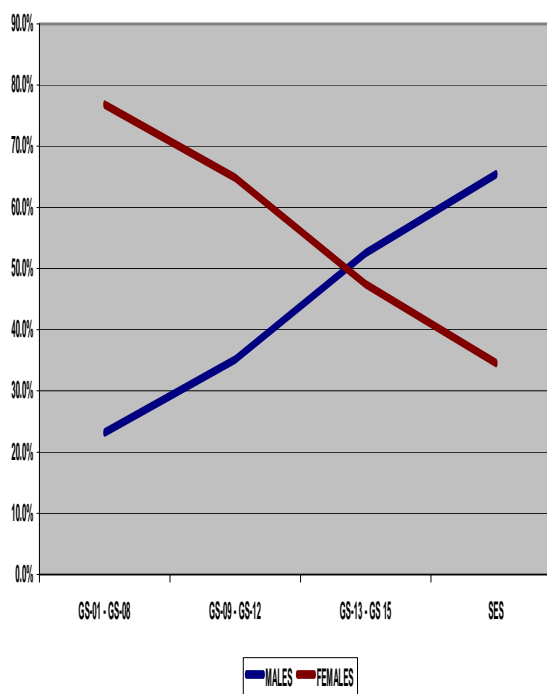
Of Treasury’s 71,113 women holding permanent positions in GS, Career Senior Executive Service (SES) and equivalent grades, only 14,254 women (20.05% of all women) hold positions at or above the GS-13 level,

² For clarity, the discussion focuses on the over 94% of the Treasury work force in permanent GS, SES or equivalent positions, and does not include those holding temporary or Wage Grade positions.

while 42.41% of all men employed by Treasury hold positions at or above the GS-13 level.

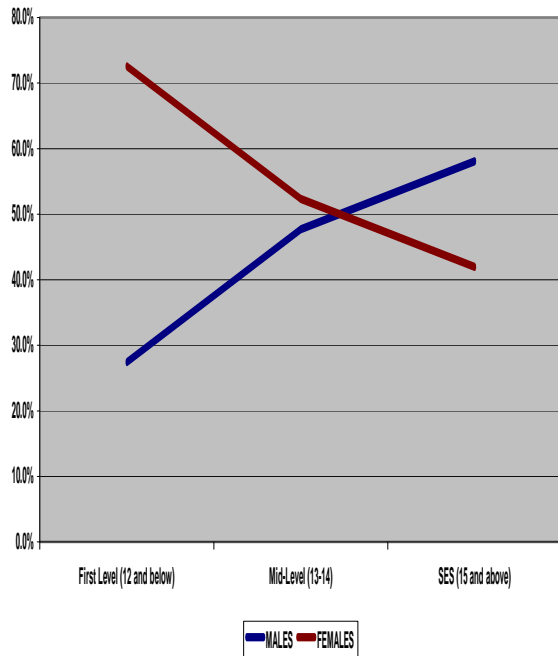
Consequently, women continue to be represented in the upper GS grades and in the SES ranks at levels well below their work force representation rate. During FY 2007, women occupied 47.43% of positions at the GS-13 to GS-15 levels and 34.52% of SES positions, compared to men who occupied 52.57% of positions at the GS-13 to GS-15 levels and 65.48% of SES positions.

Men and Women in the GS, Career SES and Related Grades



As shown in the following chart, the representation rates for men and women who are classified as managers or supervisors show a similar pattern as they ascend the GS and Career SES ranks.

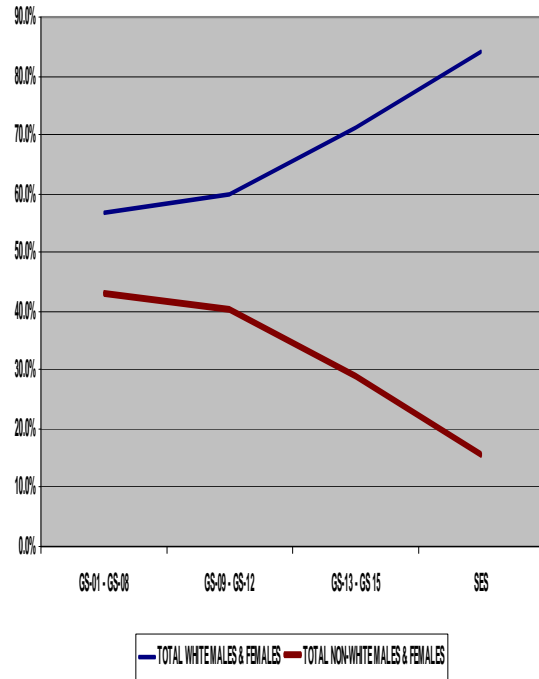
Men and Women Classified as Managers and Supervisors



When examining the participation rate of non-Whites, we see similar trend lines. Although non-Whites represent 38.5% of Treasury’s permanent work force, they hold 42.11% (FY 2006-41.46%) of permanent positions at or below the GS-12 level, compared to Whites who hold 57.89% (FY 2006: 58.54%) of these positions.

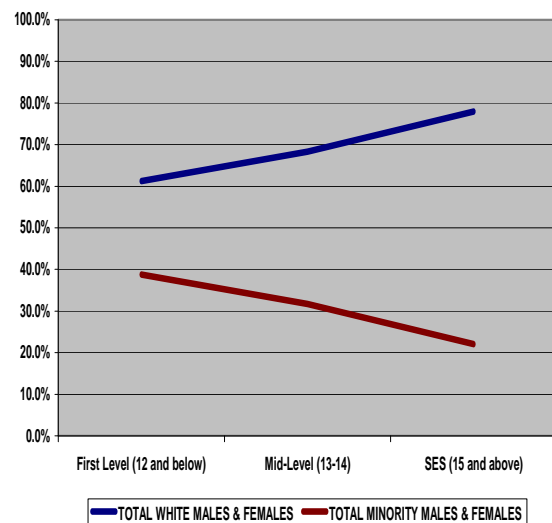
Non-Whites occupied 28.9% of positions at the GS-13 to GS-15 levels, compared to Whites who occupied 71.1% of these positions. Non-Whites held 15.7% of SES positions, compared to Whites who held 84.3%.

Whites and Non-Whites in the GS, Career SES and Related Grades



As shown in the chart below, the representation rates for Whites and non-Whites who are classified as managers and supervisors show an analogous pattern as they ascend the GS and SES ranks.

Whites and Non-Whites Classified as Managers and Supervisors

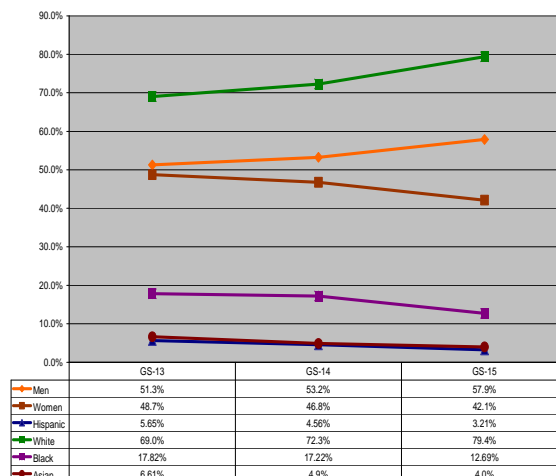


Turning to specific groups of employees, with respect to men, the Department's overall permanent employment rates for Hispanic males, White males, Asian males, Native Hawaiian and Other Pacific Islander males, American Indian / Alaska Native males and Two or More Race males are below the CLF for these groups. Only Black males are employed by Treasury in permanent positions at a rate that exceeds the CLF (5.43% of employees, and 4.8% of the CLF).

Treasury's overall representation of White men and women (61.5%) is below the CLF by 11.2% and the representation of Hispanic men and women (8.86%) is below the CLF by 1.84%.

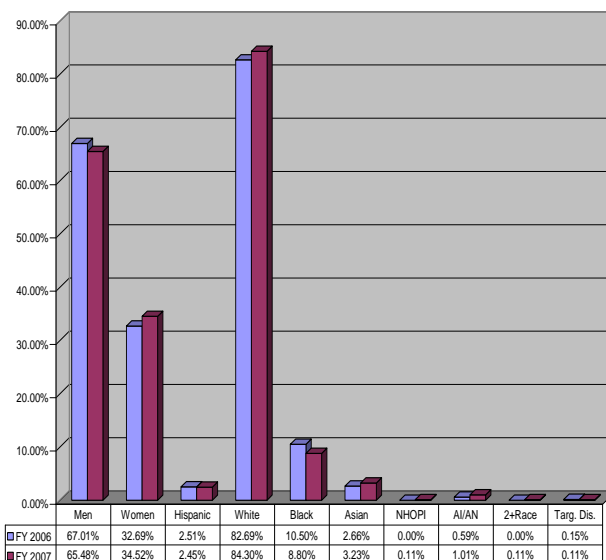
In the "feeder groups" to the SES ranks (GS-13, GS-14 and GS-15 positions), men, Whites and Asians are represented at rates greater than their work force participation rates, while women, Hispanics and Blacks are represented at rates significantly below their work force participation rates. Moreover, as shown in the next chart, the participation rates for all groups other than men and Whites decrease as they move from GS-13 to GS-14 to GS-15.³

Treasury FY 2007 SES Feeder Groups (GS-13 through GS-15/Equivalent)



In the SES ranks, Treasury experienced slight increases in the representation rates for overall female, White, Asian, Native Hawaiian or Other Pacific Islander, American Indian / Alaska Native and Two or More Races. All other groups saw slight decreases in their overall representation rates in the SES.

Treasury Career Senior Executive Service FY 2006 to FY 2007



³ This chart does not include the 0.94% of employees at these grade levels who are Native Hawaiian or Other Pacific Islander, American Indian / Alaska Native, or Two or More Races.

TARGETED DISABILITIES

In FY 2007, the US Equal Opportunity Commission honored Treasury by presenting it with the Freedom to Compete award in recognition of the Internal Revenue Service’s (IRS) partnership with Lions World for the Blind. As of September 2007, the IRS had hired 673 persons with significant visual impairments through this partnership, and had hired another 126 visually impaired computer program specialists recommended by Lions World.

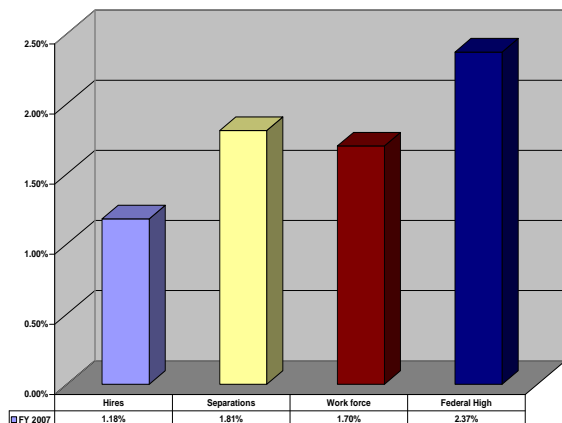
While Treasury had the highest representation rate of employees with targeted disabilities of all the cabinet-level agencies in FY 2006, Treasury’s representation rate decreased in FY 2007 to 1.66% of its total employees (FY 2006: 1.71%). Further, as shown in the chart below, during FY 2007, more employees with targeted disabilities separated than joined Treasury.

Treasury also saw a decrease in the representation rate of individuals with targeted disabilities in the SES during FY 2007, to 0.11% (FY 2006: 0.14%).

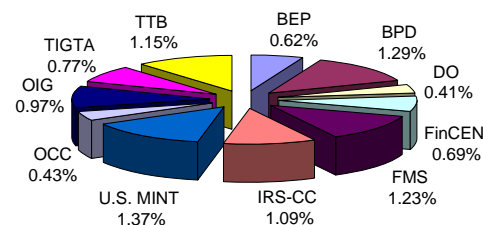
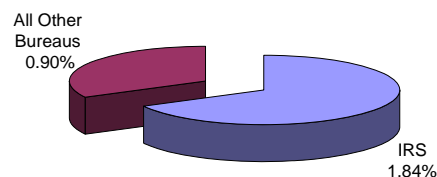
During FY 2007, Treasury required its bureaus to establish hiring goals over a five-year period for the employment of individuals with targeted disabilities. OCRD will monitor the bureaus’ progress in implementing their plans to meet these goals.

The following charts show the representation rates for Treasury’s employees with targeted disabilities in the IRS and in all other bureaus, and for each bureau other than IRS. Targeted disabilities are: deafness, blindness, missing extremities, partial or complete paralysis, convulsive disorders, mental retardation, mental illness and distortion of limb or spine.

Treasury Hires Compared to Separations



Hires	Separations	Work Force
105	187	2029

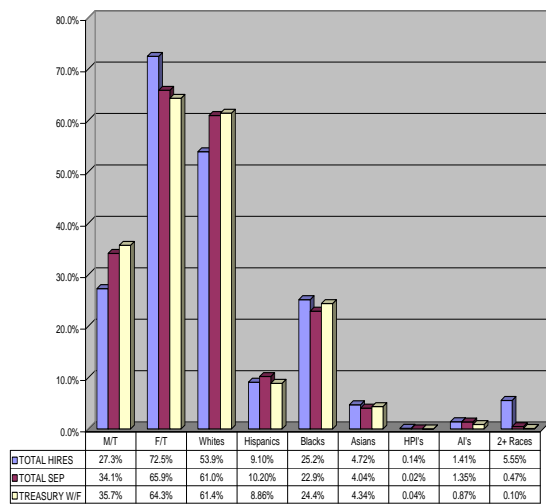


WHAT THE FUTURE MAY HOLD

A comparison of hire and separation rates may provide additional insight into the composition of Treasury's future work force.

Treasury ranked in the top five agencies for employment of Hispanics in executive level agencies, according to the Office of Personnel Management's FY 2007 Federal Equal Opportunity Recruitment Program Report. Treasury's overall permanent work force representation rate for Hispanics increased slightly from 8.45% in FY 2006 to 8.86% in FY 2007. Although Hispanic women represent 6.19% of the permanent work force (compared to 4.5% of the CLF), it should be noted that Hispanic women constituted 7.2% of all separations, with Hispanics as a whole constituting 10.18% of all separations from Treasury in FY 2007. In addition to Hispanics, men and Whites also left the work force at rates greater than their overall hire rates, as shown in the next chart.

New Hires vs. Separations

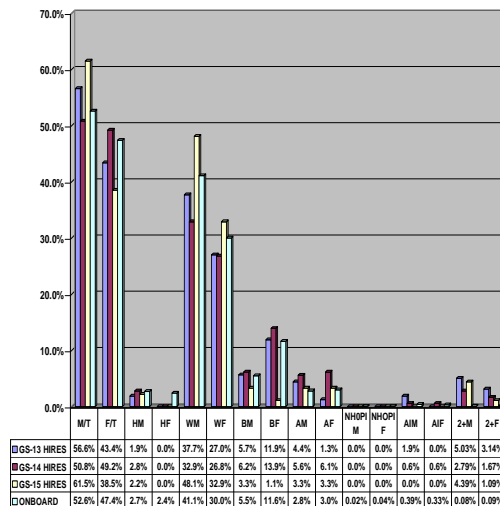


If these trends continue, we can expect to see a decline in the

participation rates for these groups in the future. Accordingly, during FY 2008, Treasury is designing and implementing an Exit Survey to identify any potential barriers to retaining any groups of employees.

The following chart compares the total onboard representation rates for certain EEO groups in GS-13, GS-14 and GS-15 positions as a whole, compared to the rates of hires at each of these grade levels.⁴

Treasury FY 2007 SES Feeder Group Hires (GS-13 through GS-15/Equivalent)



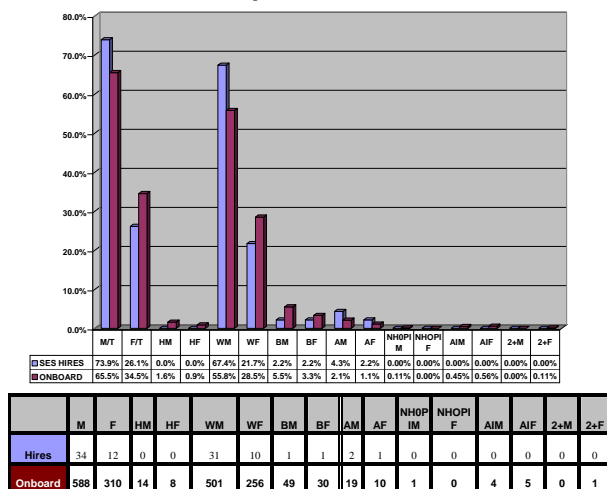
Hires	M	F	HM	HF	WM	WF	BM	BF	AM	AF	NHOP	NHOPI	AIM	AIF	2+M	2+F	
GS-13	90	69	3	0	60	43	9	19	7	2	0	0	0	3	0	8	5
GS-14	91	88	5	0	59	48	11	25	10	11	0	0	0	1	1	5	3
GS-15	56	35	2	0	44	30	3	1	3	3	0	0	0	0	4	1	

During FY 2007, no Hispanic female was hired into these feeder groups while Asians as a whole were hired at a rate significantly greater than their onboard rate.

⁴ This chart does not include the 0.94% of employees at these grade levels who are Native Hawaiian or Other Pacific Islander, American Indian / Alaska Native, or Two or More Races.

The following chart depicts FY 2007 hires for Career SES and equivalent positions compared to the onboard representation rates in such positions.

**Treasury FY 2007
SES/Equivalent Hires**



During FY 2007, no Hispanics were hired into a Career SES or equivalent position. White men were hired at a rate (67.4%) greater than their onboard rate of 55.8%, as were Asian men and women. Women as a whole were hired into Career SES / equivalent positions at a rate (26.1%) below their onboard rate of 34.5%, as were Blacks (4.35% of new hires compared to an onboard representation rate of 8.8%).

In FY 2008, the Department will meet with each bureau EEO Office to review their employment profiles and identify potential problem areas in recruitment, promotion, or retention. Bureaus must develop plans to determine if barriers to the employment of any group exist, and strategies to eliminate any barriers which are uncovered.

SPECIAL EMPHASIS PROGRAMS

Special Emphasis Programs (SEPs) provide a framework for

incorporating EEO principles of fairness and equal opportunity into the fabric of the Department, across the employment spectrum. Established throughout the Department, the three federally mandated SEPs -- the Hispanic Employment Program, the Federal Women's Program, and the Persons with Disabilities Program -- reflect the Department's commitment to equal opportunity, dignity, and respect. At their discretion, individual bureaus have established other SEPs such as the African-American, Asian American/Pacific Islander and the American Indian/Alaska Native employment programs. Special Emphasis Program Managers and Coordinators serve as resource persons or advisors on the unique concerns of the particular constituent group.

In FY 2007 Treasury established a Special Emphasis Program Managers (SEPM) Committee. The committee held its first meeting in May 2007. The SEPM Committee's purpose is to:

- (1) Keep management and supervisors focused on building and maintaining a diverse, high-quality work force and report on the progress in this area;
- (2) Provide leadership guidance and serve as the catalyst for implementing change among the bureaus and the Department by ensuring that equal employment opportunity goals and expectations are clearly understood and implemented throughout the Department;
- (3) Unify Treasury; and,
- (4) Share resources and best practices.

In support of the Hispanic Employment Program, Treasury was a sponsor of the fourth annual Greater Washington Hispanic Youth Symposium (GWHYS), which was held at Marymount University in July 2007. The Symposium provided an opportunity for high school students to gain insight on future careers including occupations available in Treasury. Treasury was actively involved in the logistics planning of the conference and provided volunteers. Approximately 300 Hispanic students from the District of Columbia, Maryland, and Virginia attended.

In support of the Department's disability employment efforts, Treasury participated in two career fairs hosted by Operation Warfighter (OWF) at the Walter Reed Army Medical Center. OWF provides Military Service members who are undergoing treatment or rehabilitation at Walter Reed Army Medical Center with a formal means of transitioning back into the work force. OWF is a voluntary program and candidates are medically cleared to participate. Service members are available to work from a few hours a week to almost full-time. Typical length of an assignment is 3-4 months. Treasury plans to continue this partnership into FY 2008.

In FY 2008, Treasury has goals to place OWF candidates, to identify other avenues to improve the hiring of disabled veterans, and to promote Treasury as an employer of choice within the disabled veterans' community. Through the development of an action plan, Treasury will identify specific objectives to aid in increasing our hiring and recruitment of disabled veterans.

Additionally, during FY 2007, the Department of Defense Computer/Electronic Accommodations Program (CAP), which provides assistive technology accommodations at no cost to the Department, provided over \$22,173.19 in accommodations to Treasury employees.

Treasury partnered with the American Association of People with Disabilities (AAPD) in support of the eighth-annual National Disability Mentoring Day (DMD) in October 2007. DMD is a structured program that brings young people with disabilities together with caring individuals who offer career guidance, encouragement and opportunities to develop a lasting mentoring relationship. The DMD program provided participants the opportunity to meet with agency recruiters and attend various workshops on resume writing, public speaking and interviewing techniques. The Department of the Treasury provided several agency representatives to staff career booths and field questions from participants, and provided marketing materials and informational brochures.

In addition to supplementing our outreach efforts in the Hispanic and disabled communities, Treasury also provided support to the Asian American community. Treasury provided financial support to the Asian Pacific American (APA) Summit in May 2007. Treasury plans to continue support during FY 2008, including financial support and staff volunteers for the coordination of the annual summit. Treasury also effectively recruited executive coaches to provide assistance and resume reviews for APA members and attendees. The APA Summit provides personal and career development training to Federal Asian American

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employees with the ultimate goal of increasing APA representation in the senior grades. The APA Summit is co-sponsored by the Department of Labor and the Office of Personnel Management.

Additionally, in partnership with the White House Initiative for Asian American Pacific Islanders and the International Leadership Foundation, Treasury placed six Asian American college students with the Financial Management Service and United States Mint.

Our Special Emphasis Programs also provide an opportunity to inform and train all employees. Treasury sponsored a number of programs including:

September 28, 2006 National Hispanic Heritage Month -Theme: "Hispanic Americans: Our Rich Culture Contributing to America's Future." The U.S. Treasurer, Anna Escobedo Cabral, introduced the keynote speaker, Lionel Sosa, CEO of the Mexicans and Americans Thinking Together (MATT) Foundation.

October 17, 2006 National Disability Awareness Month - Theme: "Americans with Disabilities: Ready for the Global Workforce." The keynote speaker was Geri Jewell, the first actor with a disability to have a recurring role on a television series, who spoke on her experience in dealing with others' perceptions of individuals with disabilities.

November 2, 2006 National American Indian Heritage Month - Theme: "Defining Our Destiny: Through Our Culture and Self Determination." The

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keynote speaker was Red Feather Woman, Native American storyteller, singer, songwriter and author.

February 6, 2007 National African American History Month - Theme: "From Slavery to Freedom - Africans in the Americas." The program featured a performance of the play entitled "101 Black Inventions" performed by the Pin Points Theater Group

March 22, 2007 Women's History Month - Theme: "Generations of Women Moving History Forward." The event featured a panel discussion, with Lily Fu, Deputy General Counsel; Nada Eissa, Deputy Assistant Secretary for Microeconomic Analysis; Linda Stiff, Deputy Commissioner for Operations Support, Internal Revenue Service; and Judy Tillman, Deputy Commissioner of the Financial Management Service. This distinguished panel of Treasury women provided their insights into career development, worklife balance, mentoring, and other topics.

May 17, 2007 National Asian/Pacific American Islander Heritage Month - Theme: "Pursuing Excellence Through Leadership." The keynote speaker was Edmund C. Moy, Director, U.S. Mint, followed by a performance from the Washington Chinese Opera Institute.

August 21, 2007 Women's Equality Day Program - Theme: "Making Equality a Reality." The keynote speaker was Cynthia Ferentinos, Senior Research Psychologist, Office of Policy and Evaluations, U.S. Merit Systems Protection Board. Ms. Ferentinos spoke about trends in perceptions and the issues facing women in the Federal Government.

INTERNSHIP PROGRAMS

Internship programs play a critical role in developing a pipeline of talent to fill mission critical occupations being vacated by an aging work force.

Treasury has taken a lead in fostering partnerships with existing external internship programs that attract highly qualified, educated and diverse students. These internship programs provide Treasury and its bureaus an avenue to identify and expand its pool of potential candidates to fill mission critical occupation vacancies or to grow new talent in their work force. As a way to develop the next generation of Treasury's work force, Treasury continues to expand its use of the Hispanic Serving Institutions National Internship Program, Washington Internship for Native Students, and the Workforce Recruitment Program.

Hispanic Serving Institutions National Internship Program (HSINIP)

Since the fall of 2006, Treasury has placed 81 HSINIP interns under the Hispanic Serving Institutions National Internship Program, through a memorandum of understanding with the Hispanic Association of Colleges and Universities (HACU).

**FY 2006 – FY 2007
HSINIP INTERN PLACEMENTS**

Bureau	Fall 2006	Spring 2007	Summer 2007	Fall 2007	Total
DO	8	6	10	5	29
FINCEN	-	-	1	-	1
FMS	9	8	19	3	39
IRS	1	-	7	2	10
OIG	-	-	-	-	0
OTS	-	-	2	-	2
TTB	-	-	-	-	-
TIGTA	-	-	-	-	-
MINT	-	-	-	-	-
Totals	18	14	39	10	81

Departmental Offices (DO) plans to continue the HSINIP program for the placement of interns throughout FY 2008. For the summer of 2008, DO expects to host an estimated 6 interns from a variety of majors both at the baccalaureate and master's level.

Washington Internship for Native Students (WINS)

The Washington Internship for Native Students (WINS) grew out of a small summer program founded at American University in 1994. WINS provides an opportunity for Native American and Alaska Native students to live in Washington, D.C., gain professional work experience through an internship, and earn academic credit. Participants intern at an agency for 36 hours each week and prepare a prescribed portfolio on the work experience and research for a total of 6 college credits.

The Department of the Treasury has been working with the WINS program through a number of bureaus including Financial Management Service and the Internal Revenue Service.

During FY 2007, Treasury hosted 4 WINS interns. For FY 2008, DO expects to host an estimated 4 WINS interns from a variety of majors both at the baccalaureate and master's level.

Workforce Recruitment Program (WRP)

The Workforce Recruitment Program for College Students with Disabilities (WRP) is a resource to connect public and private sector employers nationwide with highly motivated postsecondary students and recent graduates with disabilities who

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are eager to prove their abilities in the work force.

Coordinated by the Department of Labor and the Department of Defense, the Workforce Recruitment Program sends trained recruiters to conduct personal interviews with interested students on college and university campuses annually. Treasury provided five recruiters from the IRS and the Financial Crimes Enforcement Network (FinCEN). From these interviews, a database was compiled containing information on more than 1,500 college students and recent graduates seeking temporary or permanent jobs. In FY 2007, Treasury hired a total of 12 WRP students.

ALTERNATIVE DISPUTE RESOLUTION

Although conflict is normal in any organization, unabated conflict becomes harmful and may create a dysfunctional organization. Conflict that results in formal disputes is costly and disruptive to the work force. Conflict detracts from optimum work environments, causes employees to focus on the conflict rather than the mission, and can be a prime motivator for talented employees to leave the Treasury work force. Productivity often suffers as a result of workplace conflict and unresolved issues. While not always measurable, these costs are significant.

To educate employees on various tools to deal with conflicts in the workplace, the Treasury's Dispute Prevention Working Group (DPWG) created Dispute Prevention Week. This year, Dispute Prevention Week was held from September 10-14, 2007. During Dispute Prevention Week, bureau EEOD and Alternative Dispute

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Resolution offices sponsored a variety of activities designed to increase communications between managers and employees and provide them with tools to better deal with conflict in the organization. These tools included "tips" for managers, presentations on coaching and facilitation, and displays of educational material promoting various alternative dispute resolution techniques.

In FY 2007, 94.4% of EEO counseling contacts were offered ADR, and 31.1% of those offered ADR participated in ADR at the informal level. Had management not declined, 45% of EEO contacts offered ADR may have participated in the ADR process.

ADR Offered to Complainants (Informal) FY 2007

Total Counseling	1046
Total ADR Offered	987
Total Accepted	307
Acceptance Rate	31.1%
Offer Rate	94.4%

During FY 2007, 34.2% of complainants were offered ADR in the formal EEO complaint process. The acceptance rate by complainants who filed formal complaints was 32.1%. Had management not declined, 47.8% of EEO contacts offered ADR may have participated in the ADR process.

ADR Offered to Complainants (Formal) FY 2007

Formal Complaints	538
Total ADR Offered	184
Total Accepted	59
Acceptance Rate	32.1%
Offer Rate	34.2%

In FY 2008, Treasury plans to improve the ADR program participation rate by increasing awareness through

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effective marketing efforts. Moreover, additional emphasis will be placed on the implementation of the Treasury Dispute Prevention Strategy, examining the root causes of complaints and taking steps to ensure a positive working environment for all employees.

SHARED NEUTRALS PROGRAM

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

DISCRIMINATION COMPLAINTS

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

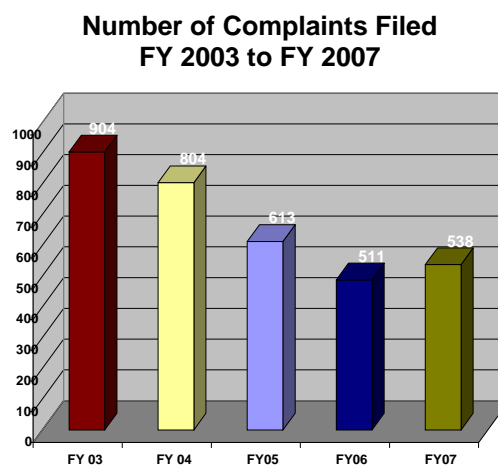
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The Treasury Complaint Center, located in Dallas, TX, is responsible for the acceptance and the investigation of all individual complaints of discrimination⁵. Discrimination complaints may be accepted on the basis of race, color, national origin, religion, sex, age, disability, or reprisal. The Department also has special procedures for handling complaints on the basis of sexual orientation, protected genetic information or parental status. The latter three bases were added in response to Presidential Executive Orders.

COMPLAINT ACTIVITY

Treasury timely submitted the Equal Employment Opportunity Commission 462 Report in October 2007. The Report is an annual assessment of the agency's formal and informal complaints, and of avenues used to resolve issues prior to and during the complaint process.

During FY 2007, Treasury had 538 complaints, compared to 511 complaints filed in FY 2006.



⁵ OCC currently accepts and investigates its own complaints under a pilot program.

Treasury had 1,382 complaints pending at the close of FY 2007: 4 were remands, 538 were filed in FY 2007; and 840 complaints carried over from FY 2006. Treasury closed 586 (42.4%) of all complaints during FY 2007, a ratio which increased slightly from the 42.06% closed during FY 2006. Treasury issued 263 final agency decisions in cases where a hearing was not requested. Of these decisions, 183 were merit decisions and 80 were procedural dismissals. Five merit decisions found discrimination, compared to none in FY 2006.

Overall, Treasury processed 183 merit decisions within an average of 62 processing days, which is only two days beyond EEOC's required processing time frame of 60 days. Sixty-four percent were timely issued within 60 days of receipt of the decision request.

Treasury issued 130 final agency actions in cases with an administrative judge's decision (i.e., cases where a hearing was requested); six involved a finding of discrimination, three of which were appealed to EEOC.

At the end of FY 2007, agency personnel completed 436 investigations, of which 187 (42.9%) were completed within 180 days or less. There were 158 (36.2%) investigations completed between 181-360 days. A total of 91 (20.9%) investigations were completed in 361 or more days.

Of the 719 complaints pending, (including complaints at the acknowledgement, investigation, hearing or final agency decision stages), 38.1% were pending at the investigation stage for an average of 123 days.

Nearly half (49.8%) of all pending complaints were awaiting a hearing before the EEOC Administrative Judge, for an average of 887.8 days per complaint. A total of 75 (10.4%) of the complaints remained pending in the final agency decision/action phase for an average of 479.8 total processing days. This is a reduction of 23.6 days per complaint from FY 2006.

EXTERNAL CIVIL RIGHTS

OCRDR provides policy, oversight, and expert advice and guidance to Treasury bureaus in complying with civil rights responsibilities and requirements resulting from Treasury Federally conducted or assisted programs. Treasury's nondiscrimination policy provides that individuals have equal opportunities to participate in, and receive benefits from, all programs or activities funded by the Department.

Federal financial assistance includes, but is not limited to, grants and loans of federal funds, grants or donations of federal property, training, details of federal personnel, and any agreement, arrangement, or other contract which has as one of its purposes the provision of assistance. A federally conducted program or activity is, in simple terms, anything a federal agency does.

OCRDR processes complaints from individuals alleging discrimination in Treasury conducted or assisted programs or activities. Race, color, sex or national origin complaints alleging discrimination in programs or activities receiving Treasury financial assistance may be filed pursuant to Title VI of the Civil Rights Act of 1964. Complaints alleging age discrimination in Treasury

assisted programs may be filed pursuant to the Age Discrimination Act of 1975. Complaints alleging sex discrimination in Treasury assisted educational programs may be filed pursuant to Title IX of the Education Amendments of 1972.

Complaints alleging disability discrimination in programs or activities receiving financial assistance from, or conducted by the Department, may be filed pursuant to Section 504 of the Rehabilitation Act of 1973. Complaints alleging denial of accessibility to electronic and information technology in use by the Department may be filed pursuant to Section 508 of the Rehabilitation Act of 1973, as amended.

In FY 2007, Treasury received two complaints of discrimination, pertaining to the external civil rights program, compared to four complaints in FY 2006. Of the two external allegations filed in FY 2007, one was investigated and the other allegation was administratively dismissed. There was no finding of discrimination.

The OCRD External Civil Rights program manager focused on ensuring that Treasury regulations and policies were in place and that all bureaus were aware of their responsibilities in this area. The Civil Rights Program Manager arranged for the Department of Justice to train all bureau officials having responsibility for processing Title VI Civil Rights Programs. Additionally, the Program Manager conducted a Title VI and External Civil Rights Training Workshop for all of Treasury's bureaus, which highlighted the bureaus' roles and responsibilities in conducting their external civil rights programs. The Program Manager also conducted a

brown bag luncheon that provided an opportunity for bureau representatives to learn more about conducting self evaluations under Section 504 of the Rehabilitation Act of 1973 in accordance with the Departmental regulation and 31 CFR Part 17.

EDUCATION AND INFORMATION

During FY 2007, OCRD concentrated its efforts on developing policy guidance, providing training to our EEO professionals, and updating OCRD's website to ensure that bureau personnel are familiar with their roles and responsibilities in ensuring compliance with the Civil Rights laws.

OCRD provided training on a variety of areas to ensure Treasury EEO professionals had the most up-to-date resources to perform their jobs. In FY 2007, OCRD, in partnership with HR Connect, conducted MD-715 User Acceptance Testing and training to assist in identifying any problem areas in the development of the MD-715 work force data tables and to address any questions on conducting work force analysis and identifying workplace barriers to equal opportunity. OCRD also developed and distributed "The Management Directive (MD) 715, Treasury Guide" to assist the bureaus in preparing for the FY 2007 reporting period. The guide provides bureaus with relevant information on bureau responsibilities; reporting requirements for MD-715; preparing an effective executive summary and conducting barrier analysis; and the development and requirements of bureau abatement plans. Additionally OCRD continues to utilize on-line training to inform employees of their rights under antidiscrimination, reprisal, and whistleblower laws, and to provide No

Fear training to existing and new employees.

CONCLUSION

The Office of Civil Rights and Diversity's FY 2007 Annual Report outlines some of our successes in the area of equal opportunity programs and activities. It addresses the progress we have made to create an inclusive work force that is free from discrimination. While we are making progress, more still needs to be done. We will continue to engage and partner with Treasury executives, managers, supervisors, employees and outside organizations / associations as we continue to ensure that all Treasury employees are encouraged to reach their potential and all customers have equal access to Treasury's programs and services.

As we move forward into the next fiscal year, we will continue to focus on ways to ensure we have the broadest group of diverse, well qualified talent from which to recruit. We will also study the reason why ADR is declined by employees and managers and expand our complaint prevention outreach efforts.