

PHOTO: MICHAEL CARPENTER

ONE-STOP CAREER CENTERS PROVIDE PERSONALIZED, CUSTOMER-DRIENTED SERVICES THAT ARE RESPONSIVE TO THE NEEDS OF PEOPLE WITH DISABILITIES.

# Outcome Goal 3.2 Foster Equal Opportunity Workplaces

#### **Overview**

DOL is committed to fostering workplaces that guarantee equal opportunities and fairness to working Americans. President Bush has said, "I will constantly speak for the values that unite our country: personal responsibility, equal justice, and equal opportunity for everybody. These are important common values." DOL pursues the President's commitment through its efforts to help recipients of DOL financial assistance comply with laws such as the Civil Rights Act and the Americans with Disabilities Act, and by assuring that Federal contractors afford minorities, women, individuals with disabilities, and veterans an equal opportunity to compete for employment and advancement.

### **Serving the Public**

The principle underlying the civil rights and equal employment opportunity provisions that the Department administers is that Federal tax dollars may not be used to discriminate or to perpetuate discrimination in the workplace or in the availability of program services.

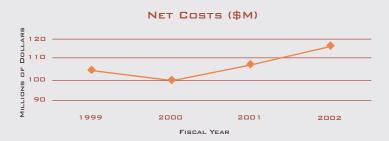
The requirement that Government contractors refrain from discriminating in employment has been an established part of Federal contracting policy since 1941, when President Roosevelt signed Executive Order 8802, and it continues today. The Employment Standards Administration (ESA) has the responsibility of assuring that employers doing business with the Federal Government comply with the equal employment opportunity and affirmative action provisions of their contracts. ESA enforces laws and regulations protecting employees and applicants from discrimination regardless of their gender, race, national origin, color, religion, or status as a qualified individual with disabilities or protected veteran.

Recipients of Federal financial assistance, such as job training and placement service providers under the Workforce Investment Act, also must refrain from discriminating in providing services or benefits. DOL's Office of the Assistant Secretary for Administration and Management assures compliance with the civil rights laws that apply to recipients of DOL financial assistance. Education and technical assistance to the States play key roles in promoting voluntary compliance with applicable non-discrimination laws.

Together, these equal opportunity programs serve much of the American workforce, as more than 25 percent of the labor force in America (25 million workers) work for Federal contractors or subcontractors, and a majority of the American workforce qualifies for job training and/or placement services from programs receiving financial assistance from DOL. In administering and enforcing these anti-discrimination and equal employment opportunity laws, DOL strives to give as many working Americans and job seekers as possible the chance to develop their full potential and follow their dreams.

#### **Program Costs**

Net FY 2002 costs for Outcome Goal 3.2 are \$117 million, an increase of 7.6 percent over FY 2001 costs. Outcome Goal 3.2 ranks eighth in cost among the nine outcome goals, with 0.18 percent of the Department's total costs. The focus of this spending is to ensure that Federal contractors and States that receive Workforce Investment Act funding achieve equal opportunity workplaces and deliver program services in a nondiscriminatory manner.



#### **DOL Challenges for the Future**

DOL's procedures and policies for assuring equal opportunity workplaces must be adaptable, so they can reflect and accommodate change in Federal contractor industries now and in the future. The Department must also pursue avenues of cooperation — through partnerships with employers, associations, and other Federal agencies as well as compliance assistance — to expand equal opportunity for employees and job applicants in those companies that have a contractual relationship with the Federal government.

To this end, the Secretary of Labor's Opportunity Awards, the Exemplary Voluntary Efforts Awards, and the Exemplary Public Interest Contributions Awards Program provide a mechanism for DOL to partner with the private sector in identifying programs of particular merit for achieving workplaces that afford equal opportunity. Meritorious programs are then showcased as models for other employers to follow.

DOL must also meet the challenge of continually reviewing program activities and processes for ways to use and manage technology to achieve greater efficiencies, improve service delivery, and lighten burden on constituents. For example, with the increase of new, advanced, and more affordable technology for assisting persons with disabilities, the Department faces an important challenge to ensure that Federal contractors — as well as those programs and agencies that prepare adults and youth for employment — provide the necessary accommodations to support persons with disabilities. Through several coordinated initiatives, the Department is assisting employers and providers of job training and employment services to improve employment options and career success for persons with disabilities in the workforce of the 21st Century.

#### **Foster Equal Opportunity Workplaces**

Federal contractors achieve equal opportunity workplaces as indicated by:

- 1. Improving the equal employment opportunity performance of Federal contractors and subcontractors within industries where data indicate the likelihood of equal employment opportunity problems is greatest.
- 2. Improving the equal employment opportunity performance of Federal contractors and subcontractors that have had prior contact with DOL/OFCCP through evaluations, outreach, or technical assistance.

**Results:** The goal was achieved. The Department fully achieved all six indicators measuring improvements in the industries with the greatest likelihood of equal employment opportunity problems, and the three indicators measuring improvement by contractors and subcontractors previously contacted.

Program Description: DOL administers nondiscrimination and equal employment opportunity laws and regulations as they relate to Federal contractors and subcontractors that employ a total of about 25 million workers nationwide. The Employment Standards Administration's Office of Federal Contract Compliance Programs (OFCCP) takes a leadership role in these activities. The laws and regulations protect employees and job applicants against discrimination based on race, color, sex, religion, national origin, status as a qualified individual with disabilities or as a protected veteran. DOL's responsibilities in this arena span about 15,000 employers that provide supplies and services to the Federal government, and include compliance assistance, evaluation, and complaint investigation activities.

Analysis of Results: The Department identified two industries—Wholesale Trade of Durable Goods, and Engineering and Management Services—with a likelihood of equal employment opportunity problems, and established the following indicators to measure progress in each industry in FY 2002: 1) a one percent increase in overall compliance levels; 2) a one percent decrease in severe (discriminatory) violations; and, 3) a one percent increase in "focused" and "off-site" type compliance evaluations. The same indicators and targets were established to measure the progress of supply and service contractors and subcontractors that had prior contact with DOL's Office of Federal Contract Compliance Programs.

Employers with a Likelihood of Equal Employment Opportunity Problems

Federal contractors and subcontractors in the Wholesale Trade of Durable Goods and Engineering and Management Service industries employ approximately 1.6 million workers, and were selected for attention based on their relatively large number of establishments, their geographic distribution throughout the country, and their compliance history with DOL. Employers in these industries received compliance assistance to educate them on compliance with equal employment opportunity and nondiscrimination mandates and regulations before compliance evaluations or complaint investigations were undertaken during FY 2002. Following this intervention, the rate of overall compliance increased by 7.53 percentage points in the Wholesale Trade of Durable Goods establishments reviewed, and by 14.88 percentage points in the Engineering and Management Services establishments. The rate of focused and off-site review of records evaluations—less burdensome forms of evaluations conducted when employers' records indicate a significant likelihood of compliance—increased by 16.30 percentage points for Wholesale Trade of Durable Goods establishments and by 23.02 percentage points in Engineering and Management Services establishments.

The number of severe violations—i.e., findings of discrimination—uncovered in performance evaluations declined by 5.44 percentage points among Wholesale Trade of Durable Goods establishments, and declined by 7.38 percentage points among Engineering and Management Services establishments.

Contractors/Subcontractors Previously Contacted

All three of the performance indicators were achieved for supplies and services contractors and subcontractors. In particular, overall compliance with requirements increased by 10.01 percentage points, findings of discrimination decreased by 7.09 percentage points, and the rate of focused and off-site compliance evaluations rose 15.70 percentage points from the baseline levels identified prior to DOL evaluations, outreach, or technical assistance. Success in meeting these goals suggested that the Department's compliance assistance initiative resulted in better equal employment opportunity performance.

The performance data used to evaluate progress toward these goals are housed in two OFCCP systems – the Case Management System and the Executive Information System. These systems track the compliance activity of evaluated employers throughout the nation. At the end of each fiscal year, data from the two systems are crossmatched to ensure accuracy in both systems.

Goal Assessment and Future Plans: In order to more clearly measure the relationship between DOL compliance assistance and evaluation activities and the reduction in discrimination among contractors, DOL will implement a new goal in FY 2003 with only two indicators. The first indicator will continue the emphasis on reducing the incidence of discrimination among Federal contractors, and the second indicator will measure the improvement in the rate of compliance among Federal contractors with all other regulatory requirements.

(Goal 3.2A — FY 2002 Annual Performance Plan)

## Promote Equal Opportunity Under the Workforce Investment Act

States that receive DOL financial assistance under the Workforce Investment Act provide benefits and services in a nondiscriminatory manner as evidenced by:

- The issuance, within 180 days of the initial submission of a State's Methods of Administration (MOA), of a compliance determination or a conciliation agreement which indicates that the MOA gives reasonable guarantee that benefits and services are provided in a nondiscriminatory manner.
- A strengthening of working relations with State agencies, through their participation in a strategy of improving compliance assistance for Workforce Investment Act One Stop Systems and Centers, and assessing the effectiveness of that strategy.

**Results:** This goal was achieved. The Department issued timely compliance determinations or entered into conciliation agreements within 180 days, and strengthened working relationships with State agencies.

Program Description: The Department's Office of the Assistant Secretary for Administration and Management provides compliance assistance, and monitors compliance with equal opportunity laws and regulations for all entities receiving Federal financial assistance through workforce programs administered by DOL. The first indicator for this goal assesses the compliance of State grant recipients with equal opportunity and nondiscrimination laws and regulations, pursuant to Section 188 of the Workforce Investment Act, requiring the adoption of Methods of Administration (MOA's). MOA's establish equal opportunity policies, procedures, and systems that, when successfully implemented, provide a reasonable guarantee of compliance with nondiscrimination, equal opportunity, and laws and regulations.

Analysis of Results: In FY 2002, of the 53 MOA's required to be approved under Section 188 of the Workforce Investment Act, there were 14 remaining. During FY 2002, the Department approved 11 State MOA's, and 3 States entered into conciliation agreements with DOL within the required 180 day period.

DOL continued to enrich its partnership with the National Association of State Workforce Agencies' Equal Opportunity Committee. The Equal Opportunity Committee and the Department jointly hosted a national Equal Opportunity conference, and the Committee assisted in the development of a Methods of Administration's Train-the-Trainer course.

**Strategies:** With the States' Methods of Administration approved and in effect, the Department will focus more directly on improving nondiscriminatory access for persons with disabilities to the benefits and services offered by the States under the Workforce Investment Act. During FY 2003, DOL will conduct technical assistance reviews of the Local Workforce Investment Area One-Stop Career Centers in New York City and Miami for compliance with Federal disability requirements. The Department, with the input of State recipients, will develop and design a Disability Review Guide that will be used as the compliance measurement tool in conducting the technical assistance reviews. In advance of the technical assistance reviews both Local Workforce Investment Areas will receive in-depth training on applicable Federal disability requirements and the Disability Review Guide.

Goal Assessment and Future Plans: The strategies presented above support new goals for FY 2003 and beyond that will measure increased access for persons with disabilities to the full range of services offered under the Workforce Investment Act, expanding their opportunities for successful employment. During FY 2003, the Department will develop baselines that will enable performance targets to be established in future years.

(Goal 3.2B — FY 2002 Annual Performance Plan)