

March 2016

Office of Minority and Women Inclusion of the Consumer Financial Protection Bureau

Annual Report for 2015

Message from Richard Cordray



Director of the CFPB

I am pleased to share this Annual Report which details the Consumer Financial Protection Bureau’s (“CFPB”) Office of Minority and Women Inclusion (“OMWI”) diversity and inclusion initiatives and demographics for FY2015. This report is presented to fulfill the Bureau’s statutory responsibilities and its commitment to accountability pursuant to Section 342(e) of the Dodd-Frank Act (12 U.S.C. § 5452).

The report presents a holistic view of diversity and inclusion at the Bureau. It includes work spearheaded by the OMWI, as well as work done in collaboration with the Office of Civil Rights (“OCR”), the Office of Human Capital (“OHC”), the Office of Procurement and each of the Bureau’s divisions. The initiatives undertaken served to integrate diversity and inclusion into the Bureau’s routine functioning thereby allowing for lasting impact. Our diversity and inclusion initiatives for FY2015 were focused in the following broad areas: increasing the diversity and inclusion of our workforce; expanding our supplier diversity focus; and planning the implementation of a process that draws on the “Joint Standards” policy developed collaboratively by the CFPB, the Office of Comptroller of the Currency (“OCC”), the Federal Reserve Board (“FRB”), the Federal Deposit Insurance Company (“FDIC”), the National Credit Union Association (“NCUA”), and the Securities and Exchange Commission (“SEC”) to assess the diversity policies and practices of entities regulated by these agencies.

This year, I am especially pleased with the progress we have made in our workplace diversity initiatives. We have focused on integrating diversity and inclusion into the fabric of the Bureau’s organizational structure and functioning. Among our accomplishments this year are the following: our OHC, working in close collaboration with OMWI, has incorporated diversity

and inclusion competencies in our leadership and employee development competencies, training, job descriptions and performance objectives; OMWI has worked with divisions to have meaningful diversity and inclusion goals in their strategic plans and we have built in accountability for meeting those goals by including progress on them in our quarterly meetings with division heads; all managers are now required to attend training to better lead the diversity and inclusion efforts in their offices, and all non-supervisory employees are required to attend training to strengthen their awareness of diversity and inclusion aspects of their work and interactions. Through collaborative efforts between OHC, OMWI and OCR, the Bureau has strengthened our effectiveness in attracting and retaining an increasingly diverse staff.

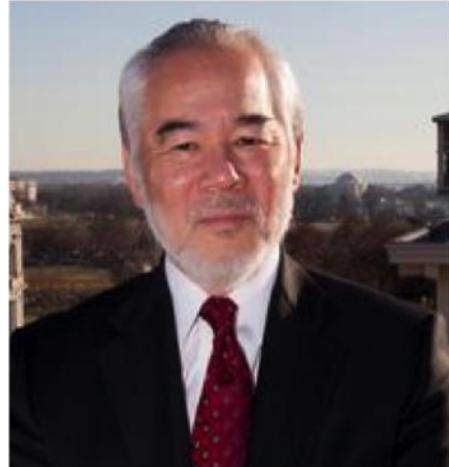
While we are pleased with the progress, we are well aware that we can make further advances in the areas of diversity and inclusion. With employees who come from a wide range of workplaces, including other federal government agencies, the corporate and non-profit sectors and higher education, as well as a wide spectrum of demographic groups, establishing a shared workplace culture and norms is an ongoing priority for us. The dedication and commitment that our employees from all backgrounds have to our mission continues to be an important point of leverage that we build on to accomplish our goals.

Sincerely,

A handwritten signature in blue ink that reads "Richard Cordray". The signature is written in a cursive, flowing style.

Richard Cordray

Message from Stuart Ishimaru



Director of the OMWI

As our operations have normalized from building a new federal agency and immediately addressing gaps in consumer financial protection, we have increased focus on refining, formalizing, and standardizing internal operations for long term sustainability. The Bureau has achieved numerous successes in protecting consumers and has also achieved success in launching programs, processes, and training that support a diverse and inclusive work environment. We have focused energy on encouraging workplace behaviors and norms that will create the workforce experience that can enable us to do our best work for long-term impact. We have embarked on plans to consistently improve internal operations in order to support a highly functioning agency. These include:

- finalizing and releasing the Bureau’s Diversity and Inclusion Strategic Plan to provide direction for our efforts over the next four years;
- releasing the Bureau’s Business Case for Diversity that outlines why diversity and inclusion are important to the mission work of the Bureau;
- creating diversity and inclusion goals within all of our divisional strategic plans to ensure that we are holding ourselves accountable across the Bureau;
- incorporating diversity and inclusion competencies into our performance management requirements to ensure personal responsibility, and;
- establishing workplace cultural norms for behaviors that drive for excellence, focus on solving problems, value diversity and inclusion and lead to better solutions.

We utilize the talents of essential working groups to help design and support the framework for our desired work environment. These include:

- An Executive Advisory Committee (“EAC”) that champions the work of the OMWI and effects change from the highest levels of the organization
- A newly-created Diversity and Inclusion Council of Employees (“DICE”), consisting of representatives from across the Bureau that can provide valuable feedback to the OMWI on the employee experience, and
- A Workforce of the Future Steering Committee (“WFF”) consisting of leaders across the organization, selected to help shape our desired workforce experience.

With proven leadership commitment, all of these supporting components in place, and with planned improvements to our hiring processes, I believe that the Bureau has positioned itself well to advance diversity and inclusion and to continue to reap the benefits of a variety of perspectives so that it may better serve consumers in America. As I consider the promising future that we have in store for our agency, I look forward to reporting on our progress in the years ahead.

Sincerely,

A handwritten signature in blue ink, appearing to read "Stuart J. Ishimaru". The signature is fluid and cursive, with a long horizontal stroke at the end.

Stuart Ishimaru

Table of contents

| | |
|--|-----------|
| Message from Richard Cordray | 1 |
| Message from Stuart Ishimaru | 3 |
| Table of contents | 5 |
| 1. Introduction | 7 |
| 2. Diversity and inclusion mandate | 9 |
| 3. CFPB workforce | 11 |
| 3.1 Minorities and women | 11 |
| 3.2 Work and life balance | 35 |
| 3.3 Training..... | 36 |
| 3.4 Employee engagement | 40 |
| 3.5 Initiatives | 42 |
| 3.6 Outreach and partnerships..... | 45 |
| 3.7 Community education and engagement | 52 |
| 3.8 Recap of Bureau diversity accomplishments | 55 |
| 4. Procurement | 58 |
| 4.1 Interagency work on supplier diversity initiatives | 65 |
| 4.2 Training and resources..... | 66 |

4.3 Outreach for supplier diversity 67

5. Regulated entities.....70

6. Challenges and opportunities71

6.1 Conclusion..... 72

1. Introduction

The Consumer Financial Protection Bureau (“CFPB” or the “Bureau”) was created under the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”) on July 21, 2011. The CFPB’s core mission is to make markets for consumer financial products and services work for all consumers in America — whether they are applying for a mortgage, choosing among credit cards, or using any number of other consumer financial products. Our job is to protect every consumer, no matter how much money they earn, what language they speak, or what financial product they choose to use.

Since 2011, our enforcement actions have made available approximately \$11.2 billion in relief for consumers who fell victim to various violations of consumer financial laws. Some of these violations disproportionately affected minority and women populations. The Bureau has also handled 830,000 consumer complaints on credit reporting, debt collection, money transfers, bank accounts, credit cards, mortgages, vehicle loans, student loans, and payday loans. In addition, we have enacted a number of new rules as we continue implementing the Dodd–Frank Wall Street Reform and Consumer Protection Act.

This year, the Office of Minority and Women Inclusion (“OMWI”) has focused on:

- Creating a diversity and inclusion strategic plan for the Bureau that outlines specific organizational goals to increase diversity and support inclusion for the next four years;
- Creating and launching the Bureau’s business case for diversity and inclusion that outlines why diversity and inclusion is important to the success of the Bureau;
- Working with the divisions to meet the diversity and inclusion goals outlined in their strategic plans;

- Launching a Diversity and Inclusion Council of Employees (“DICE”) consisting of employees from throughout the organization and the regions that can serve as a feedback mechanism to the OMWI;
- Establishing a policy that will enable employees to establish employee resource groups (“ERGs”) in order to convene on special interests and support the Bureau in recruiting and retaining a diverse and inclusive workforce;
- Continuing to administer diversity and inclusion training programs for employees at all levels to increase awareness and understanding of diversity and inclusion issues in the workplace, including a two day workshop for supervisors and managers;
- Partnering with OHC to conduct analysis of the Annual Employee Survey to measure differences in perception across employee groups;
- Continuing to coordinate with the Office of Civil Rights (OCR) to ensure compliance and best diversity and inclusion practices are part of the dialogue with bureau partners on the important issues of diversity and civil rights.
- Continuing to increase the OMWI’s impact on Bureau-wide hiring through a series of recruitment, hiring, and relationship-building events;
- Continuing to increase opportunities for minority-owned and women-owned businesses at the CFPB by providing tools, resources, and technical assistance to businesses; and
- Actively participating in interagency working groups to discuss supplier diversity, outreach activities, regulatory diversity issues, and sharing of best practices.

In fulfillment of its statutory responsibility and its commitment to accountability, the CFPB is presenting this annual report pursuant to Section 342(e) of the Dodd-Frank. This report provides detailed information about the CFPB’s diversity and inclusion efforts from January 1, 2015 until December 31, 2015, unless otherwise noted.

2. Diversity and inclusion mandate

Section 342 of the Dodd-Frank Act created (OMWI's) in certain federal financial regulatory agencies, including the CFPB. The statute requires each OMWI to develop standards for:

1. Equal employment opportunity and the racial, ethnic, and gender diversity of the workforce and senior management of the agency;
2. Increased participation of minority-owned and women-owned businesses in the programs and contracts of the agency, including standards for coordinating technical assistance to such businesses; and
3. Assessing the diversity policies and practices of entities regulated by the agency.

Additionally, each OMWI is required to advise its agency head on the impact of the policies and regulations of the agency on minority-owned and women-owned businesses.

Section 342(e) mandates the submission by the OMWI to Congress of an annual report including the following:

1. A statement of the total amounts paid by the agency to contractors during the reporting period;
2. The percentage of the amounts paid to contractors that were paid to minority-owned and women-owned businesses;
3. The successes achieved and challenges faced by the agency in operating minority and women outreach programs;
4. The challenges the agency may face in hiring qualified minority and women employees and contracting with qualified minority-owned and women-owned businesses; and

5. Any other information, findings, conclusions, and recommendations for legislative or agency action, as the OMWI Director determines appropriate.

3. CFPB workforce

At the core of the CFPB mission is the guiding principle that everyone deserves to be treated fairly in the financial marketplace.

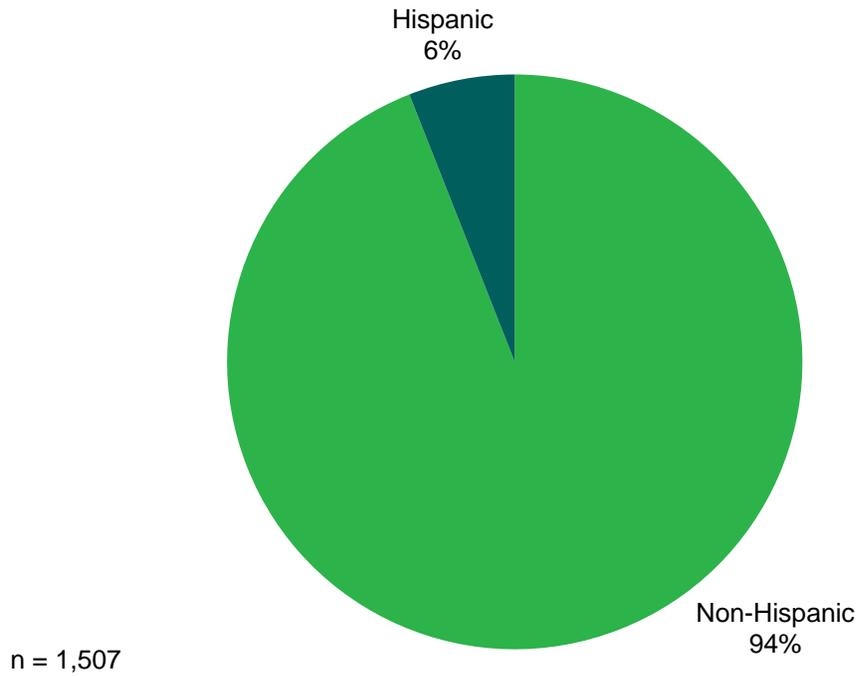
The CFPB's mission can best be accomplished with a qualified, diverse, and inclusive workforce informed by a deep understanding of the nation's diversity to assist in the Bureau's work. In 2015 the CFPB continued to hire staff in order to expand operations to achieve its immediate and long-term priorities. As of year-end 2015, the CFPB had a total of 1,507 employees. Accounting for attrition, this number represents an increase of 100 employees from year-end 2014.

3.1 Minorities and women

The Bureau recognizes the importance of diversity and inclusion in building and maintaining a competitive workforce. Therefore the Bureau has developed robust outreach and recruiting efforts to colleges and universities, trade associations, and professional organizations (including minority and women-focused organizations). As a result, the Bureau has built a competitive workforce with women and minorities represented throughout the CFPB.

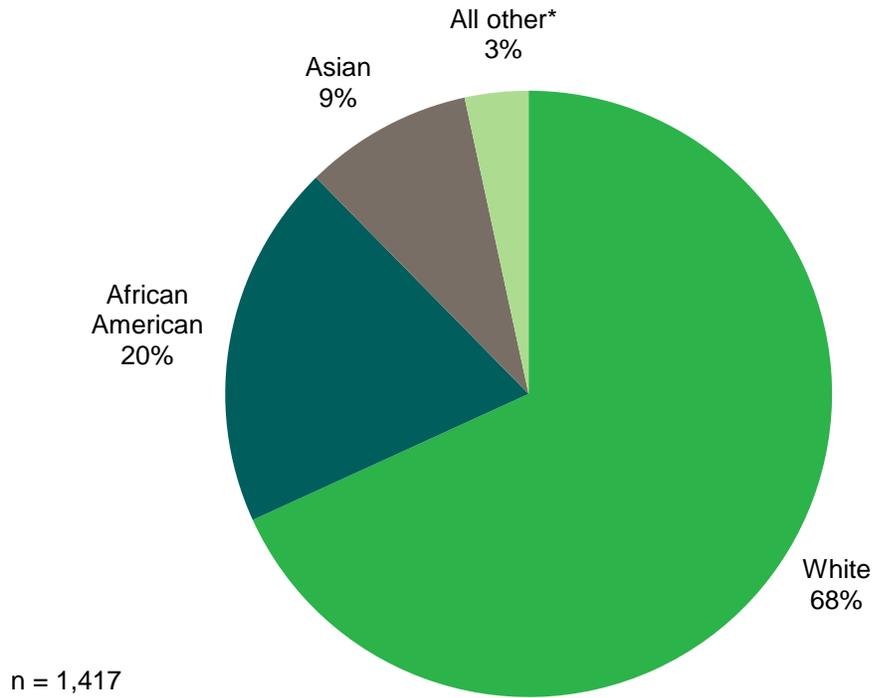
Following are charts outlining the demographic composition of the CFPB's workforce.

FIGURE 1: CFPB WORKFORCE BY HISPANIC/NON-HISPANIC FOR CALENDAR YEAR 2015



Given the rapid growth in the number of Hispanics in the U.S., accessing talent from Hispanic communities is essential to ensuring that the Bureau is benefitting from this robust talent pool. Of the 1507 CFPB employees at year-end, 6% self-identify as Hispanic, and 94% as Non-Hispanic. This represents a 1% increase in Hispanic representation at the Bureau since year-end 2014. Additional information about the Bureau’s outreach efforts to the Hispanic community can be found in the Outreach section of this report.

FIGURE 2: CFPB NON-HISPANIC WORKFORCE BY RACE FOR CALENDAR YEAR 2015



**Includes American Indian/Alaska Native (0.4%), Native Hawaiian/Pacific Islander (0.13%), two or more Races (2.65%).*

Figure 2 shows the CFPB non-Hispanic workforce by race. Of the 1,417 non-Hispanic employees at year end of 2015, 68% self-identified as White, 20% as Black/African-American, 9% as Asian American, and 3% as either American Indian, Alaskan Native, Native Hawaiian, Pacific Islander or belonging to two or more racial groups. This represents a 2% increase in Black/African American representation and a 1% decrease in White and Asian representation respectively.

FIGURE 3: CFPB MINORITY VS NON-MINORITY WORKFORCE FOR CALENDAR YEAR 2015

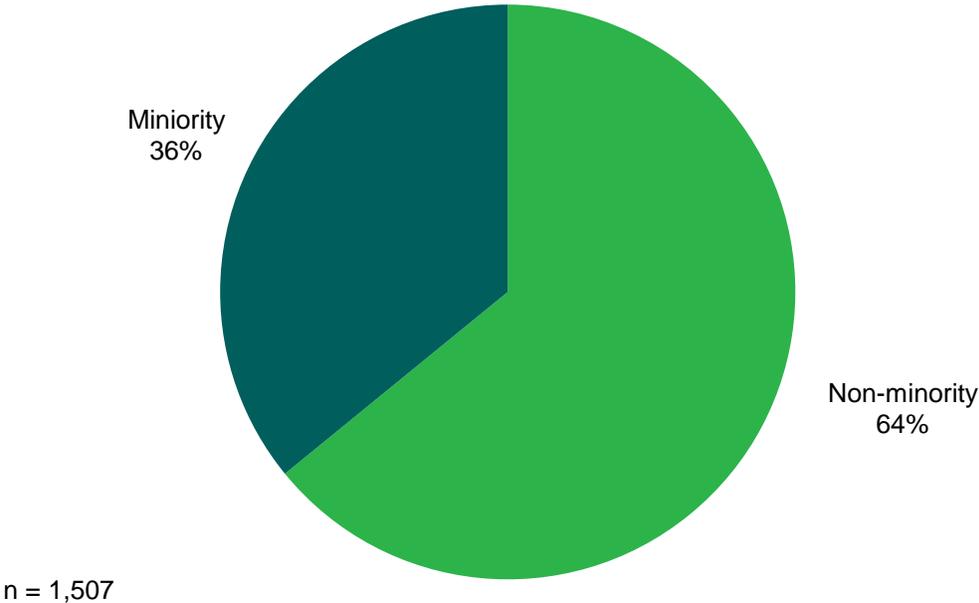
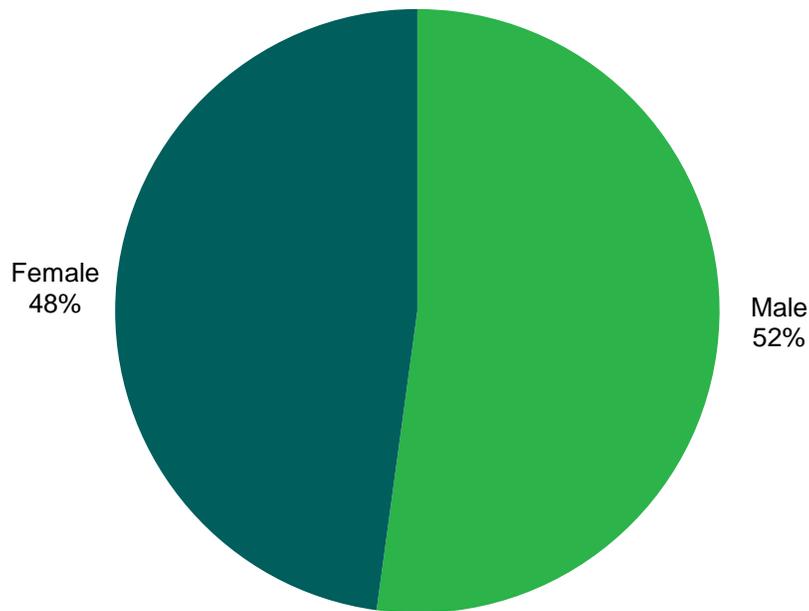


FIGURE 4: CFPB WORKFORCE BY GENDER FOR CALENDAR YEAR 2015



n = 1,507

Figure 4 shows the CFPB workforce by gender, with women representing 48% of the Bureau's workforce. As the CFPB has increased its workforce over the past year, the Bureau has increased representation of women by 2%.

The CFPB is committed to building a workforce where diversity is represented at all levels of the organization. As of year-end 2015 minorities comprised 26% of executive leadership positions defined as Supervisory CN-81 and above. Women comprised approximately 41% of executive leadership positions at the Bureau. This represents a 5% increase in women executive representation over end of year 2014.

FIGURE 5: CFPB EXECUTIVE LEADERSHIP BY HISPANIC/NON-HISPANIC FOR CALENDAR YEAR 2015

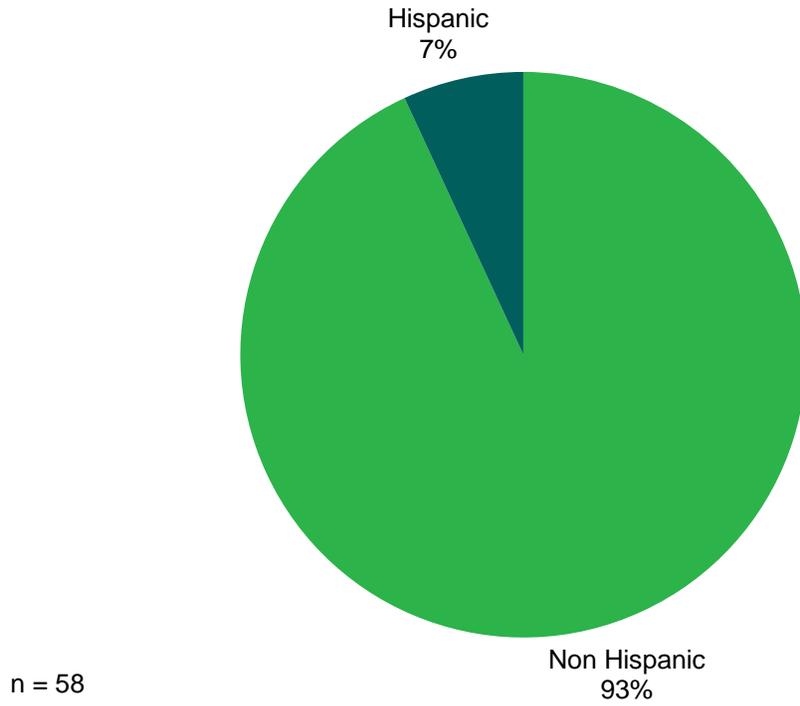


FIGURE 6: CFPB NON-HISPANIC EXECUTIVE LEADERSHIP BY RACE FOR CALENDAR YEAR 2015

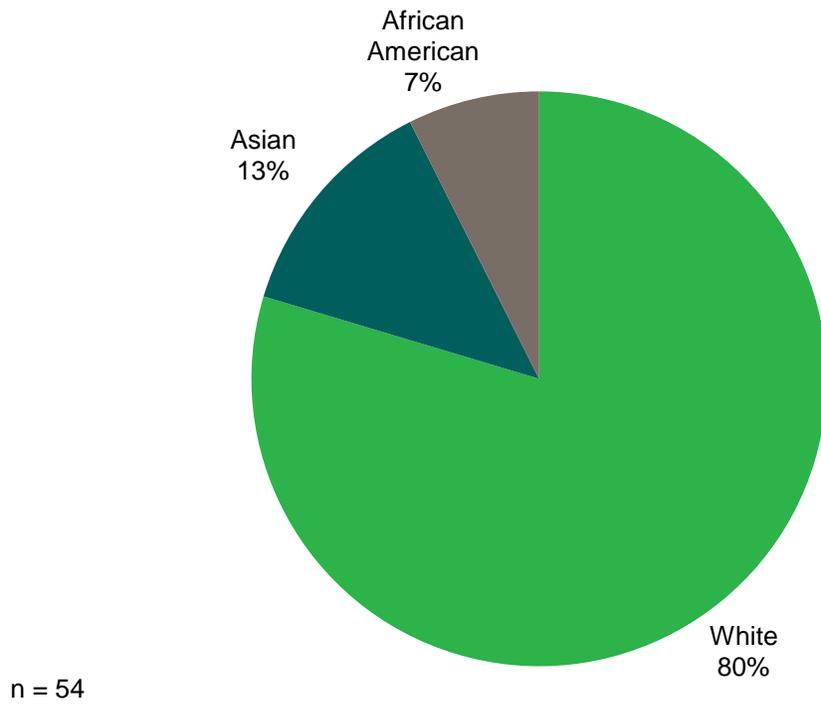
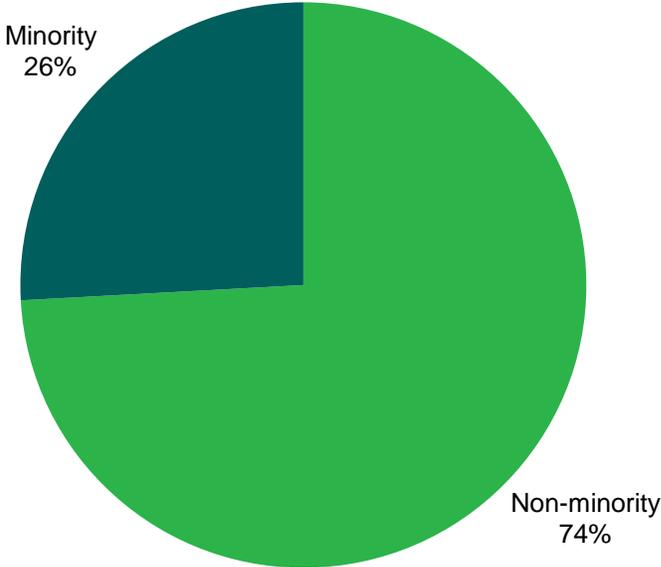
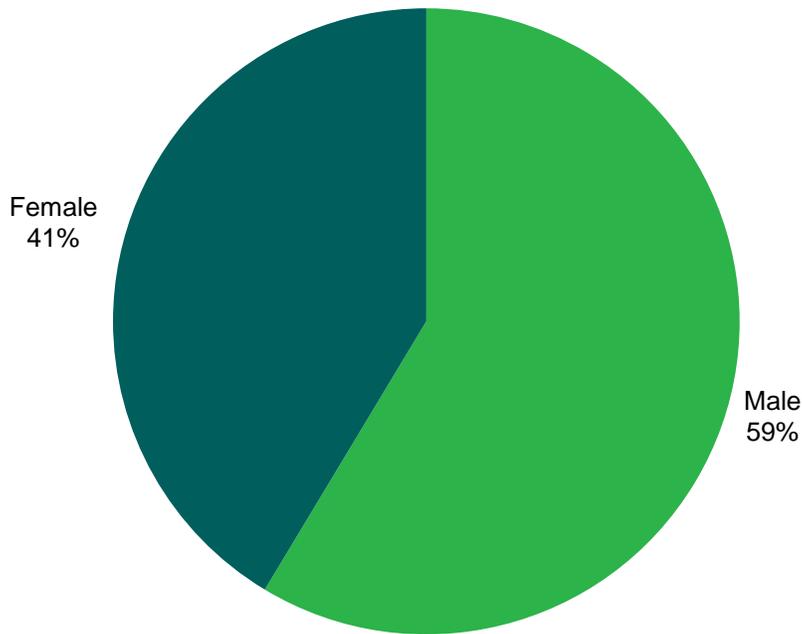


FIGURE 7: CFPB MINORITY VS NON-MINORITY EXECUTIVE LEADERSHIP FOR CALENDAR YEAR 2015



n = 58

FIGURE 8: CFPB EXECUTIVE LEADERSHIP BY GENDER FOR CALENDAR YEAR 2015



n = 58

The CFPB recognizes the importance of diversity within its workforce, especially within the “mission-critical” roles of the organization. CFPB defines mission-critical roles to include Examiners, Attorneys, Economists and Misc. Administration and Program Analysts (“Analysts¹”), which together comprise the largest occupational categories (0570, 0905, 0110, and 0301, respectively) within the agency. As a result, the Bureau is committed to ensuring these key positions particularly reflect the diverse makeup of the American marketplace. As of year-end 2015, there were 418 employees in the Examiner occupational series. Of these approximately 34% are women and 39% are minorities. This represents a 1% increase in representation over year-end 2014 in each of the following groups; Blacks, Asians, Hispanics and Women.

¹ “Analysts” referred to in this report are officially classified as Misc. Administration and Program Analysts

FIGURE 9: CFPB EXAMINER WORKFORCE BY HISPANIC/NON-HISPANIC FOR CALENDAR YEAR 2015

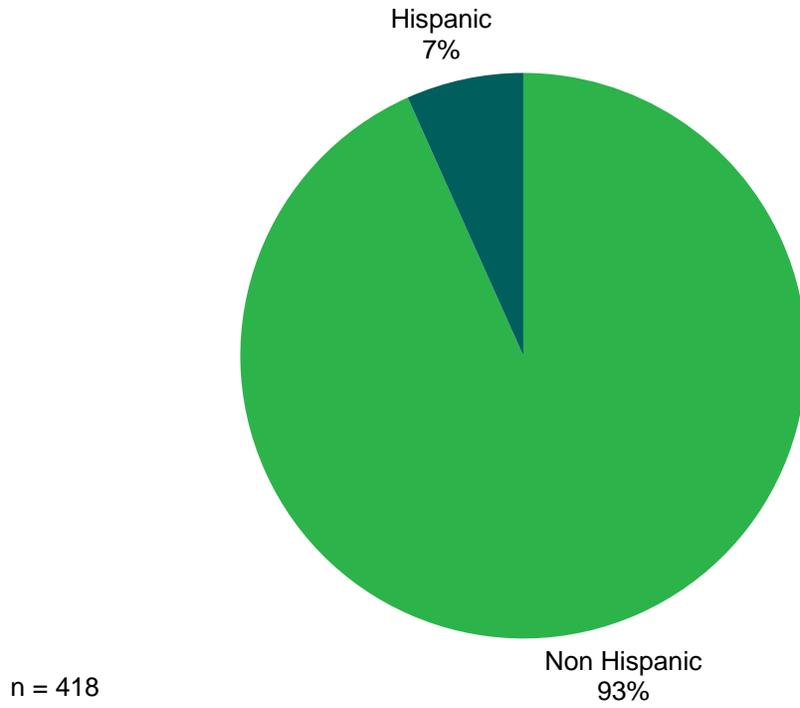
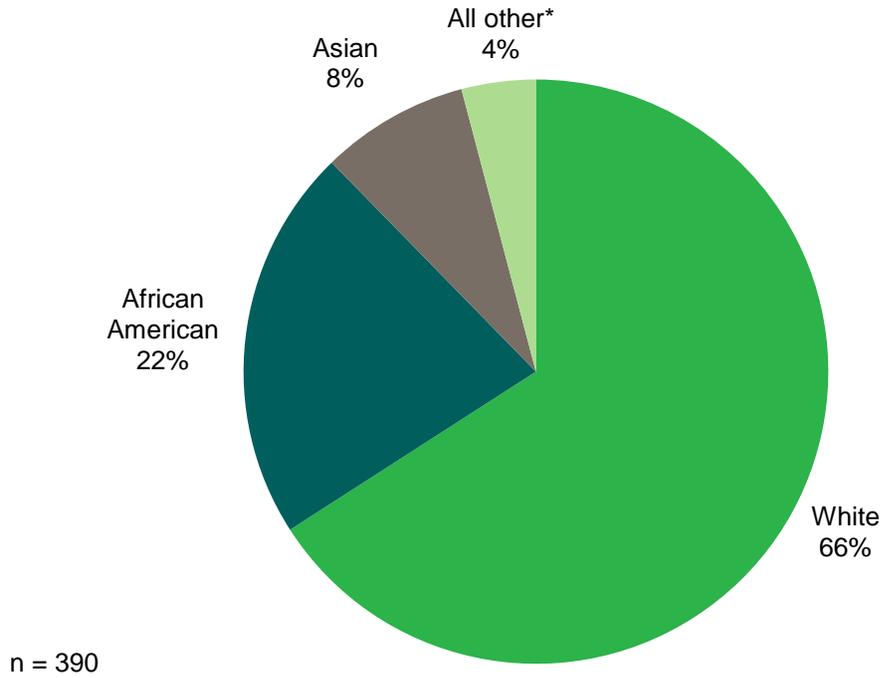


FIGURE 10: CFPB NON-HISPANIC EXAMINER WORKFORCE BY RACE FOR CALENDAR YEAR 2015



**Includes American Indian/Alaska Native (0.96%), Native Hawaiian/Pacific Islander (0.24%), two or more Races (2.63%).*

FIGURE 11: CFPB MINORITY VS NON-MINORITY EXAMINER WORKFORCE FOR CALENDAR YEAR 2015

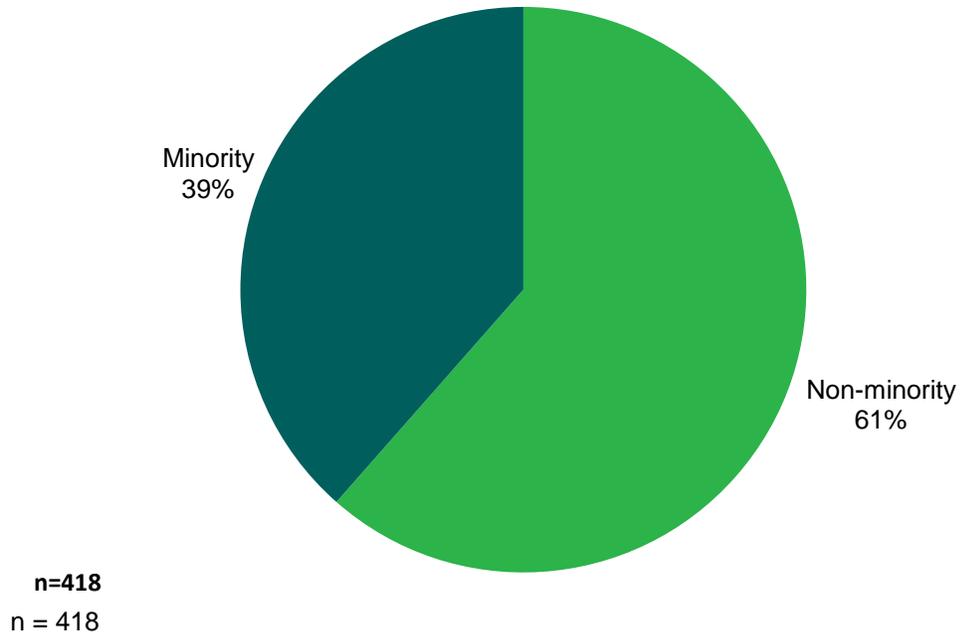
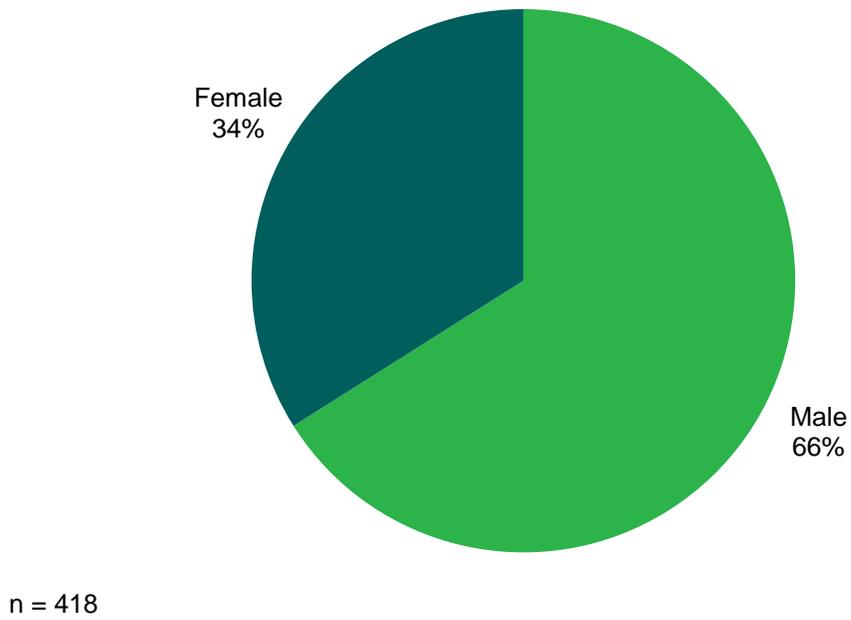


FIGURE 12: CFPB EXAMINER WORKFORCE BY GENDER FOR CALENDAR YEAR 2015



There are 291 Attorneys in the Attorney occupational series, and approximately 55% are women and 23% are minorities. This represents a 1% increase in representation for each of the following groups: Hispanics, Blacks and those belonging to two or more races.

FIGURE 13: CFPB ATTORNEY WORKFORCE BY HISPANIC/NON-HISPANIC FOR CALENDAR YEAR 2015

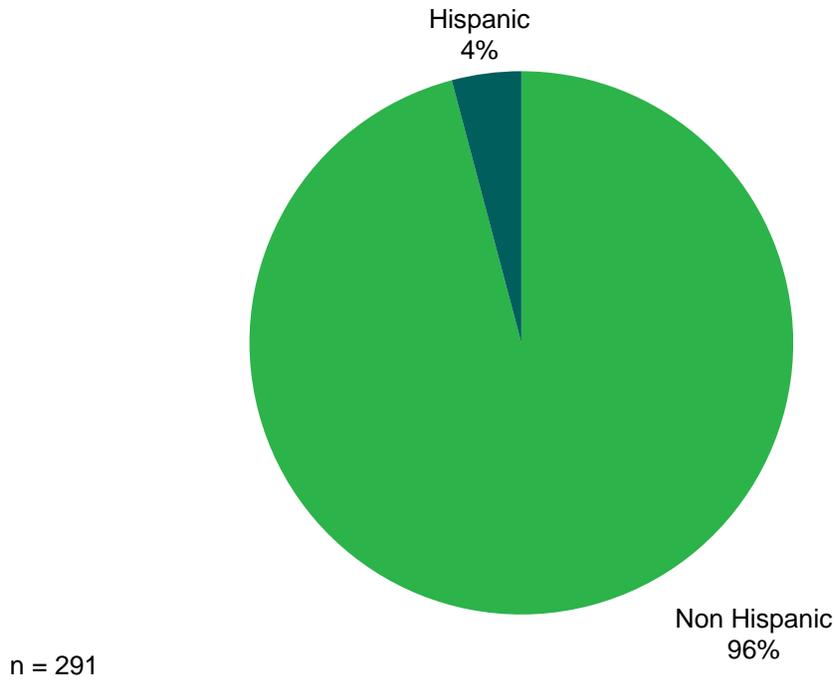


FIGURE 14: CFPB NON-HISPANIC ATTORNEY WORKFORCE BY RACE FOR CALENDAR YEAR 2015

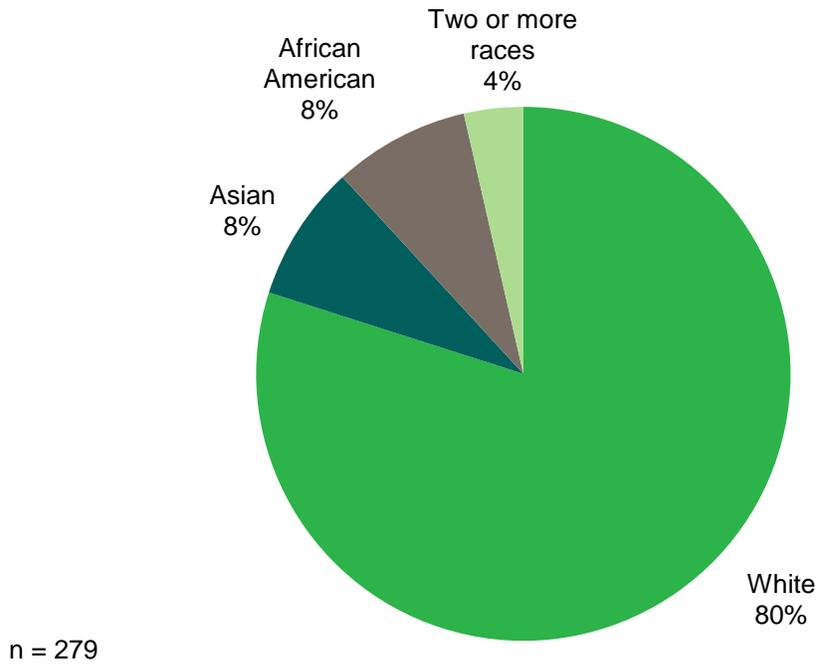


FIGURE 15: CFPB MINORITY VS NON-MINORITY ATTORNEY WORKFORCE FOR CALENDAR YEAR 2015

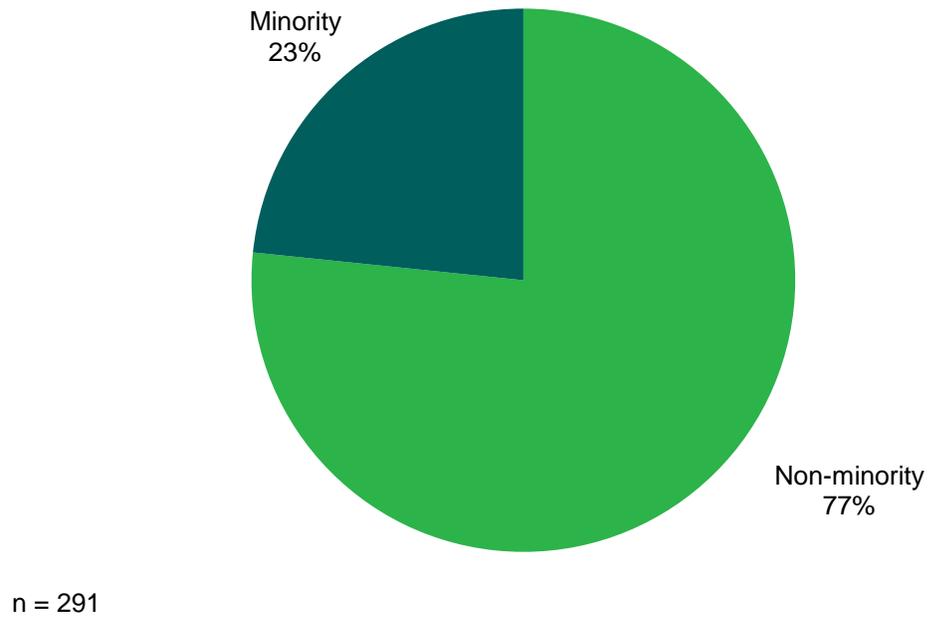
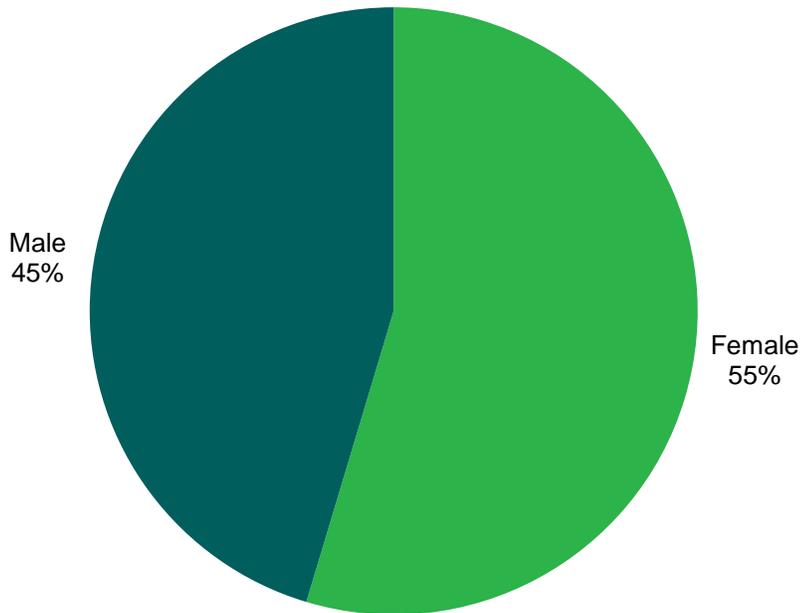


FIGURE 16: CFPB ATTORNEY WORKFORCE BY GENDER FOR CALENDAR YEAR 2015



n = 291

There are 38 economists in the Economist occupational series and approximately 37% are women and 34% are minorities. This represents a 2% increase representation for Women.

FIGURE 17: CFPB ECONOMIST WORKFORCE BY HISPANIC/NON-HISPANIC FOR CALENDAR YEAR 2015

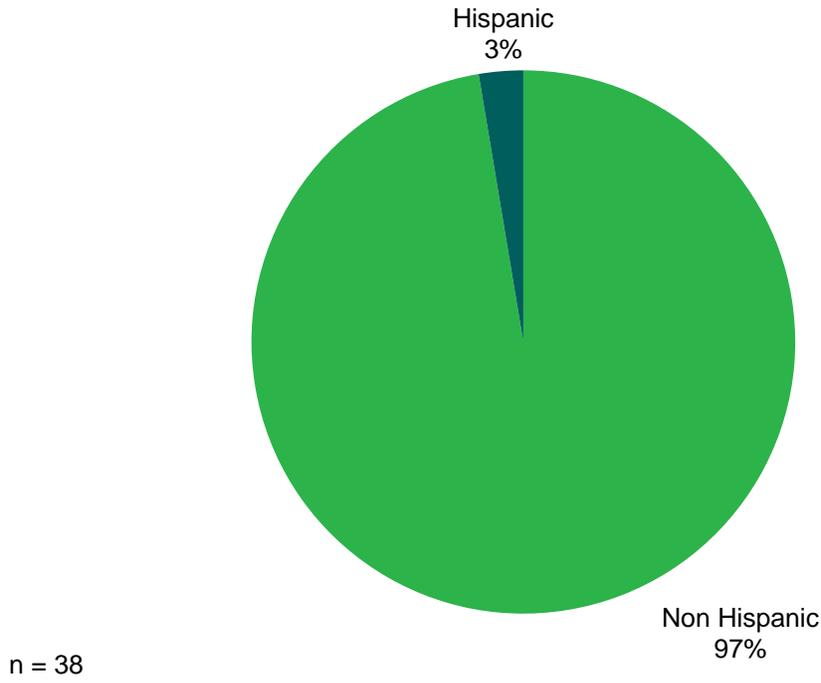


FIGURE 18: CFPB NON-HISPANIC ECONOMIST WORKFORCE BY RACE FOR CALENDAR YEAR 2015

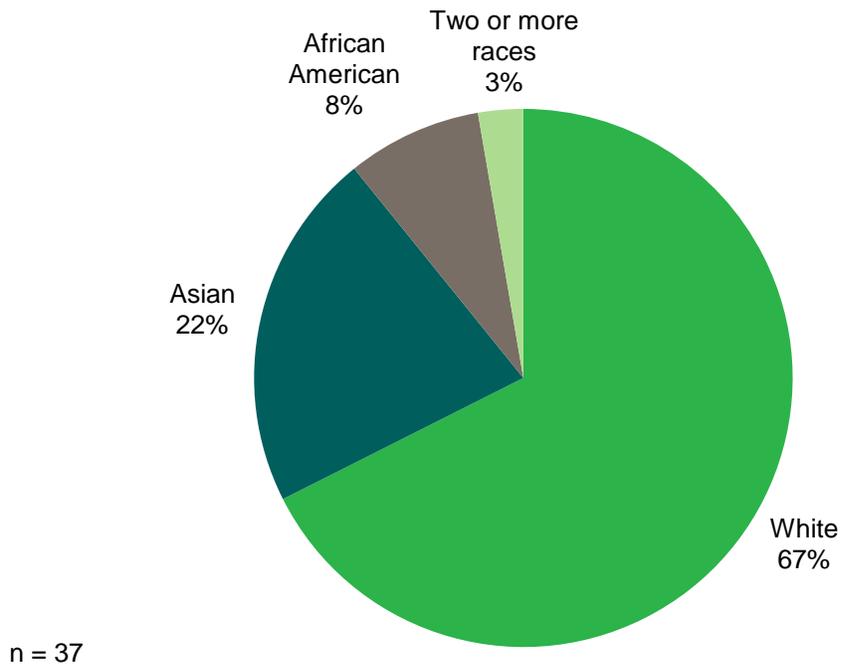
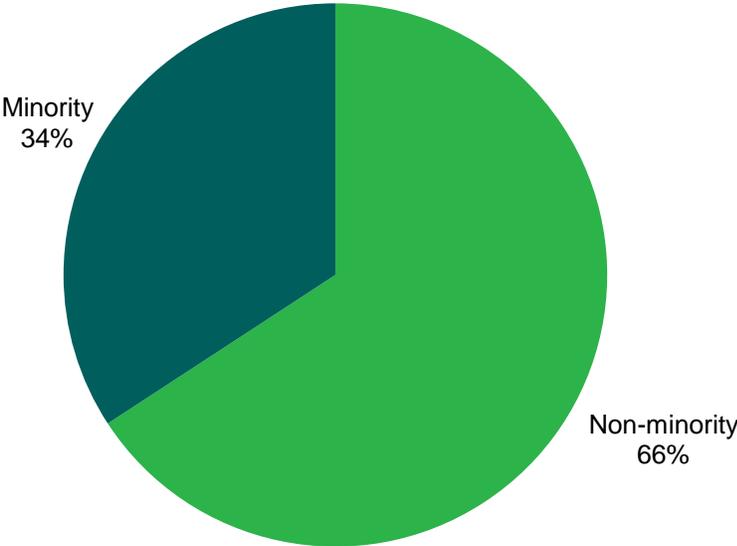
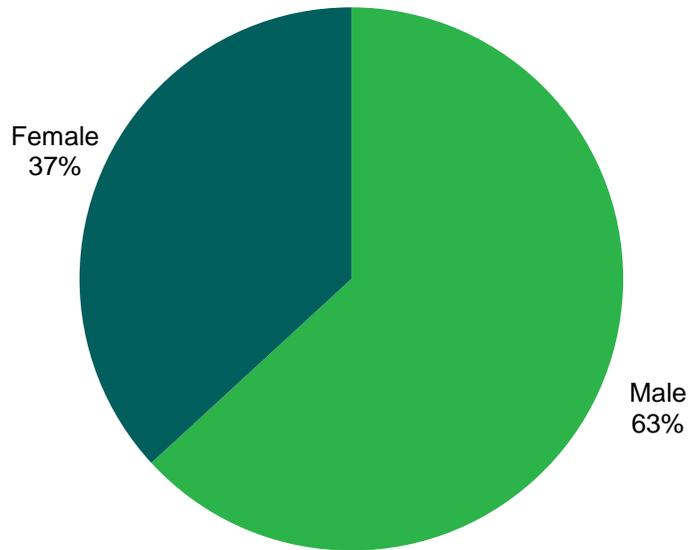


FIGURE 19: CFPB MINORITY VS NON-MINORITY ECONOMIST WORKFORCE FOR CALENDAR YEAR 2015



n = 38

FIGURE 20: CFPB ECONOMIST WORKFORCE BY GENDER FOR CALENDAR YEAR 2015



n = 38

There are 299 employees in the Miscellaneous Administration and Program Analyst (“Analyst”) occupational series and approximately 53% are women and 40% are minorities. This represents a 3% increase in Hispanic representation, a 2% increase in White representation and Women.

FIGURE 21: CFPB ANALYST WORKFORCE BY HISPANIC/NON-HISPANIC FOR CALENDAR YEAR 2015

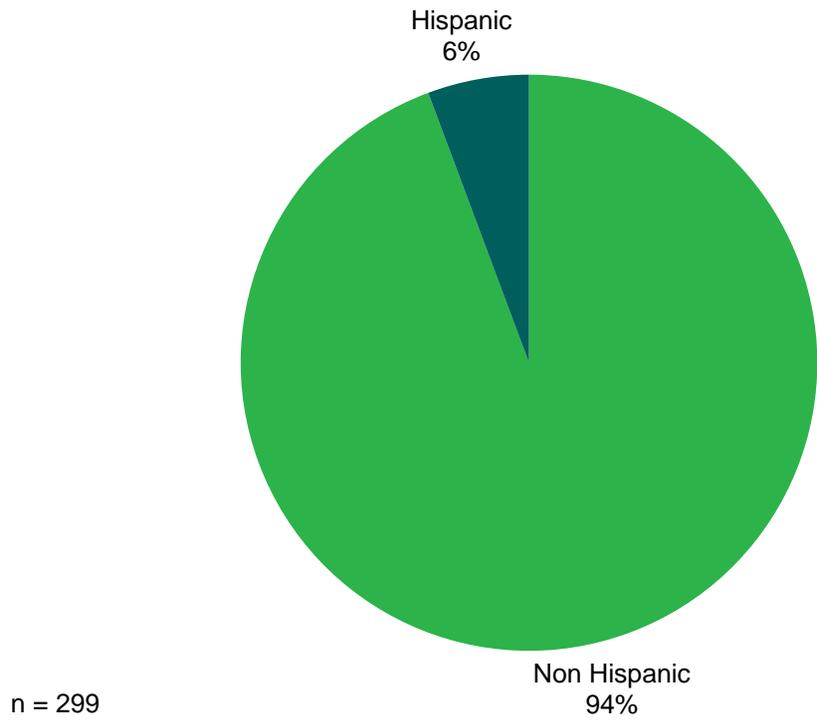
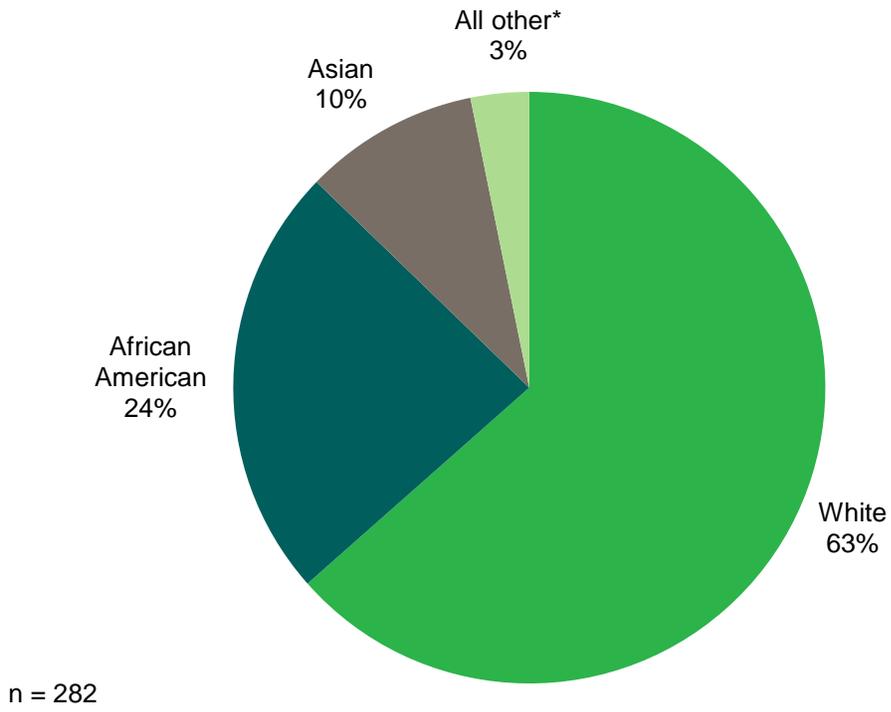
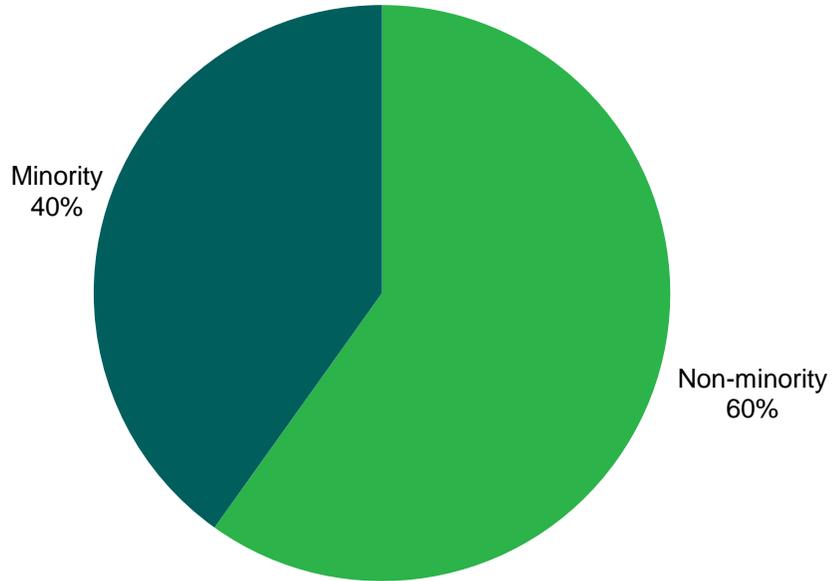


FIGURE 22: CFPB NON-HISPANIC ANALYST WORKFORCE BY RACE FOR CALENDAR YEAR 2015



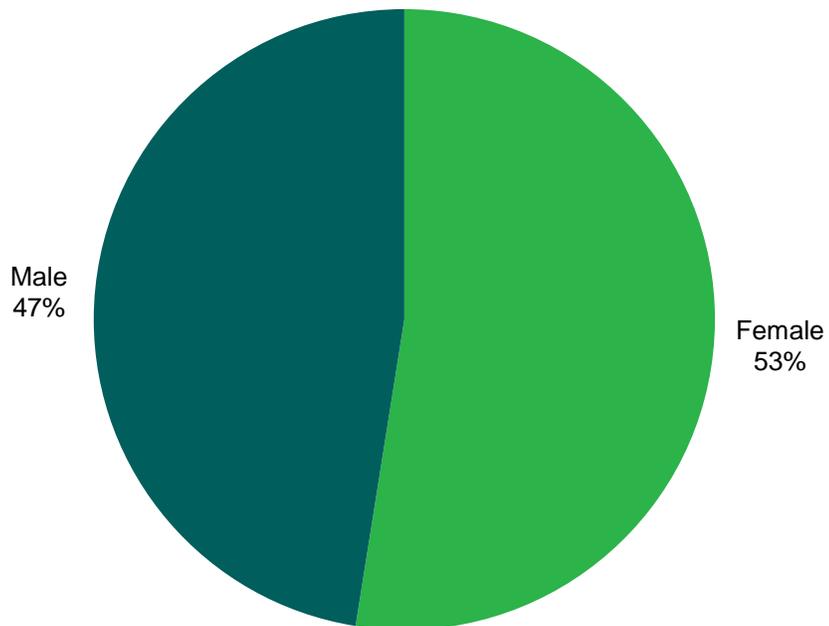
* Includes American Indian/Alaska Native (0.33%), Native Hawaiian/Pacific Islander (0.33%), and two or more Races (2.3%).

FIGURE 23: CFPB MINORITY VS NON-MINORITY ANALYST WORKFORCE FOR CALENDAR YEAR 2015



n = 299

FIGURE 24: CFPB ANALYST WORKFORCE BY GENDER FOR CALENDAR YEAR 2015



n = 299

The CFPB continues to encourage recruiting and hiring initiatives that support the development of a diverse, highly-qualified employee base. The Bureau recognizes an opportunity to increase minority representation within our mission-critical positions. OMWI has collaborated with OCR, OHC and division leaders to conduct applicant flow analysis and to identify opportunities to further standardize recruiting, hiring, and staffing processes. Following are demographic data on new hires² for 2015. In 2015, the CFPB increased the representation of women by 6% and increased Black/African American and employees that are two or more races by 1%.

Following are demographic data on new hires³ for 2015. In 2015, the CFPB increased the representation of women by 6% and increased Black/African American and employees that are two or more races by 1%. New hires of White employees increased by 3% and Asian new hires declined by 5%.

² In accordance with OPM reporting, new hires here are defined more broadly as accession personnel actions, which generally are actions resulting in the addition of an employee to the agency's staff. These include transfers from another agency, new hires under various types of appointments, and on occasion movement from one type of appointment to another when there has been an application for a new position.

³ In accordance with OPM reporting, new hires here are defined more broadly as accession personnel actions, which generally are actions resulting in the addition of an employee to the agency's staff. These include transfers from another agency, new hires under various types of appointments, and on occasion movement from one type of appointment to another when there has been an application for a new position.

FIGURE 25: NEW HIRES BY HISPANIC/NON-HISPANIC FOR CALENDAR YEAR 2015

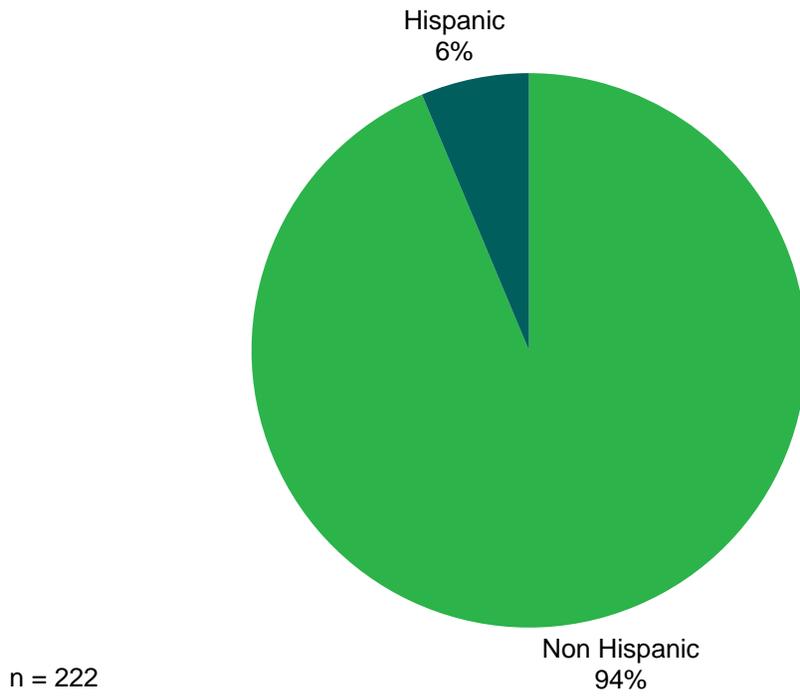
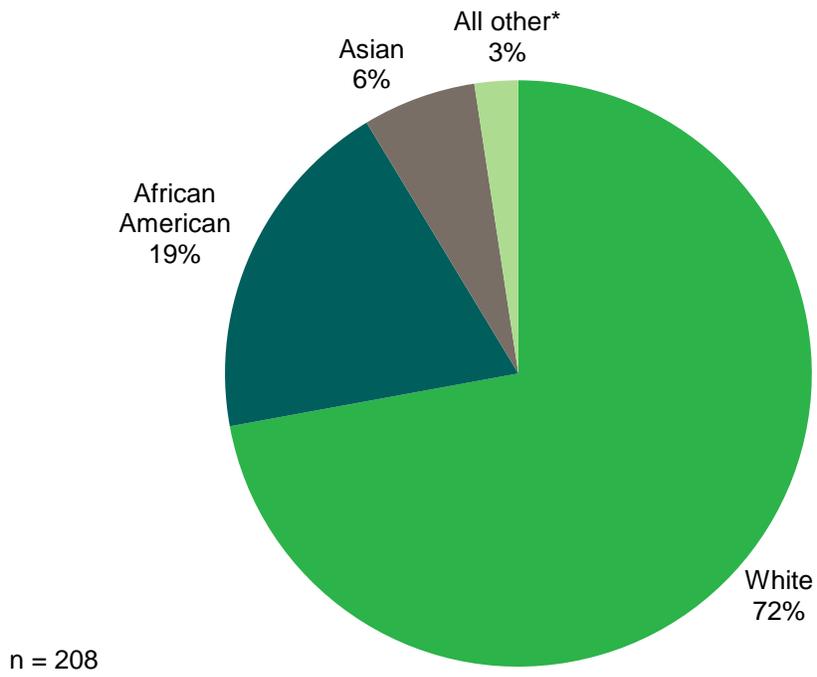
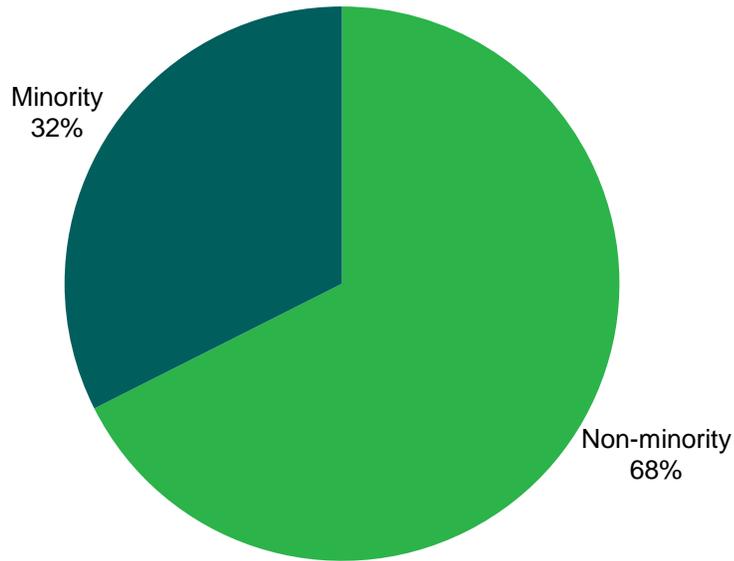


FIGURE 26: NON-HISPANIC NEW HIRES BY RACE FOR CALENDAR YEAR 2015



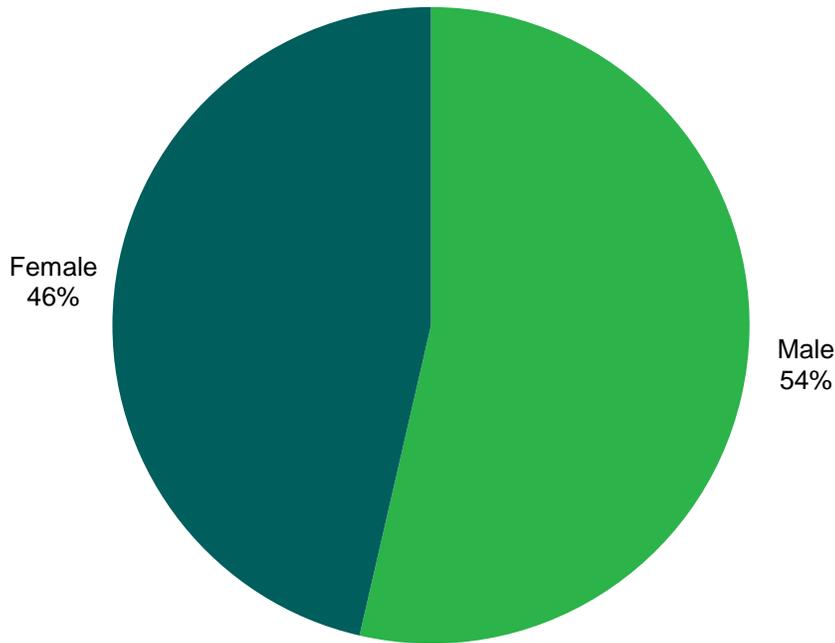
**Includes American Indian/Alaska Native (0.4%), Native Hawaiian/Pacific Islander (0.7%), two or more Races (2.25%).*

FIGURE 27: MINORITY VS NON-MINORITY NEW HIRES FOR CALENDAR YEAR 2015



n = 222

FIGURE 28: NEW HIRES BY GENDER FOR CALENDAR YEAR 2015



n = 222

Opportunities for career advancement increase employee engagement and ensure that employees continuously seek assignments that stretch their capabilities and provide innovative solutions to our work outcomes. CFPB promoted 337 employees in 2015.

TABLE 1: PROMOTIONS BY RACE AND ETHNICITY FOR CALENDAR YEAR 2015

| CFPB Promotions | Percentage of total Promotions |
|------------------------|--------------------------------|
| Hispanic | 5% |
| Analysts | 5% |
| Attorneys | 6% |
| Economists | 0% |
| Examiners | 5% |
| Asian | 11% |
| Analysts | 22% |
| Attorneys | 8% |
| Economists | 22% |
| Examiners | 11% |
| Black/African American | 18% |

| CFPB Promotions | Percentage of total Promotions |
|-------------------------------------|---------------------------------------|
| Analysts | 11% |
| Attorneys | 3% |
| Economists | 0% |
| Examiners | 18% |
| White | 71% |
| Analysts | 62% |
| Attorneys | 86% |
| Economists | 78% |
| Examiners | 68% |
| Two or More Races | 2.67% |
| Analysts | 2.63% |
| Attorneys | - |
| Economists | - |
| Examiners | - |
| American Indian/Alaskan Native | 0.30% |
| Analysts | - |
| Attorneys | - |
| Economists | - |
| Examiners | - |
| Native Hawaiian or Pacific Islander | - |
| Analysts | - |
| Attorneys | - |
| Economists | - |
| Examiners | - |
| Male | 55% |
| Analysts | 53% |
| Attorneys | 54% |
| Economists | 56% |
| Examiners | 67% |
| Female | 45% |
| Analysts | 47% |
| Attorneys | 46% |
| Economists | 44% |
| Examiners | 33% |

3.2 Work and life balance

The CFPB is committed to continuously improving workplace flexibilities in an effort to attract

and retain talent. Flexibilities such as telework and alternate work schedules allow the Bureau to get the best performance from its workforce while providing employees with numerous ways to balance work and life priorities. Supporting employees in this way enables the Bureau to recognize the diverse needs of employees and encourage workplace productivity.

As a result of negotiations between the CFPB and the National Treasury Employees Union (“NTEU”), the Bureau has an operational policy for employee-initiated requests for relocation, and a telework policy allowing for routine telework. In addition, the CFPB continues to provide a broad range of enhanced offerings to help employees manage commitments in their work and personal life including: an enhanced Annual Leave Policy allowing employees to carry-over 360 hours of annual leave; emergency back-up care for children and dependent adults; lactation rooms in all headquarters buildings; a Voluntary Leave Transfer Program to assist other employees affected by their own or a family member’s medical emergency; a Sick Leave Policy including expanded use of sick leave for the birth or adoption of a child; an Alternative Work Schedule Policy; short-term and long-term disability insurance for all employees; and intervening weekend travel for Examiners, which allows them the flexibility to return home to their families or travel over the weekend between examinations.

The Bureau will continue to explore additional workplace flexibilities and best practices in the public and private sector to ensure we are providing employees with competitive work/life incentives.

3.3 Training

The Bureau is committed to sustaining a culture that encourages innovation and collaboration. To ensure employees have the tools and the skills necessary for successful participation, the Bureau continues to increase the quantity and scope of learning programs for employees and leaders.

The Bureau provides a series of in-house on-site trainings to strengthen soft skills including: effective teamwork, effective meetings, and effective communication. As the CFPB has matured, it has increased both the reach and depth of programs and initiatives. The Bureau:

- continues to offer an individual development planning process including an individual development plan template, related developmental guidance, a central catalog of numerous off-the-shelf learning programs and a career development workshop;
- has developed a core competency model to refine, expand and document the CFPB's competency requirements, including technical expertise for Bureau employees at all levels;
- requires a leadership development series for all Bureau leaders as well as a supervisory training for all new supervisors to enhance leadership skills;
- requires a two-day interactive diversity training workshop for supervisors to obtain the tools necessary to lead a diverse and inclusive work environment;
- offers Lunch and Learn educational sessions on topics that commemorate Heritage celebrations and that are of cross-functional interest supporting the CFPB's mission;
- continues to offer a library of free online reference materials and courses, including a catalog of courses targeted to address the CFPB core competencies;
- provides access to foreign language training through its library, offering access to Rosetta Stone courses and the on-line resources of the Joint Language University of the Department of Defense;
- offers a comprehensive coaching program for CFPB leadership;
- offers diversity and inclusion training and events to raise awareness of unconscious bias and develop cultural competency skills;
- requires annual mandatory compliance training to ensure employees are informed about government requirements related to privacy, cybersecurity, EEO, and other important rules and regulations;
- conducts structured interview training and hiring manager training to provide managers with the skills necessary to ensure the Bureau's hiring strategies are broad, consistent, and fair;
- requires all supervisors and managers to attend a two-day training led by the Equal Employment Opportunity Commission Training Institute covering compliance with EEO laws and makes available other learning opportunities related to EEO;

- requires mandatory performance management training for employees and supervisors; and
- offers new employee orientation that includes training on a number of topics including diversity and inclusion and EEO rights and responsibilities.

3.3.1 OMWI Diversity and Inclusion Training

Leading Diversity & Inclusion at the CFPB: Training for Managers

The following provides a more detailed account of training provided by OMWI. In 2015, the Bureau required all supervisors and managers to attend a two-day workshop entitled, “Leading Diversity and Inclusion at the Bureau”. The training focused on providing managers the awareness, knowledge and skills needed to give due consideration to differences in culture, backgrounds and experiences of staff and managers in managerial/supervisory processes, decisions and actions. The workshop content included: the business case for managing diversity, the subtle behaviors that signal unconscious bias; the manager’s role in creating an inclusive workplace; equitable and bias-free approaches for managing diverse teams; giving effective feedback to diverse teams; and managing disagreements across cultural differences; and action planning.

To date, of the 268 managers, 225 (83.9%) have completed the two days of training, 14 (5.2%) have completed one day and 29 (10.8%) are scheduled to complete the two days of training in 2016. The majority of the managers who have not yet completed the training are scheduled to attend the upcoming workshops.

Evaluations of the training indicated that participants had a very high level of satisfaction with the content they learned and with the workshop facilitators. Using the five indices below, managers were asked to rate their learning in the workshop on a scale of one to five with five being the most positive. The five indices were:

1. gaining a better understanding of diversity and inclusion in the CFPB;

2. understanding the manager's role in diversity and inclusion initiatives and building skills for leading across differences in the Bureau;
3. opportunities to practice applying skills taught for building a workplace that is inclusive and innovative in which employees and teams excel;
4. a review of a diversity and inclusion toolkit that included a sampling of individual leadership actions to lead in a diverse workforce, workplace and marketplace; and
5. an evaluation of the facilitators based on their subject matter expertise and training delivery.

The 180 managers who completed the evaluation rated their learning in the workshop as an overall 4.2 (on a scale where a 4 is "very good"), and the workshop facilitators as an overall 4.5. The comments on the workshop were also very positive with managers identifying aspects of the training that were most meaningful for them.

Diversity Awareness Training for Non-Supervisory Employees

In the Fall 2013, CFPB began offering a two-hour awareness raising workshop to employees to help develop a shared understanding of diversity and inclusion at the Bureau. The workshop focused on the importance of diversity and inclusion in strengthening individual competence for interacting effectively in a diverse workplace and the ways in which an understanding of diversity and inclusion contributes to the effectiveness of the Bureau's work in serving consumers. In 2015, the Director made the training a requirement for all non-supervisory employees. As of year-end 2015, 1,099 of the 1,503 CFPB employees have completed the training and the remaining 504 employees are scheduled to complete the training in 2016.

Evaluations of the training indicated that the training was well received and that it was effective in increasing employees' awareness of the importance of diversity and inclusion to the Bureau's overall effectiveness.

Other Diversity and Inclusion Training

OMWI, in collaboration with OCR, provided training to managers on diversity and inclusion in the performance evaluation process. The training focused on increasing

awareness of the types of biases and the ways in which bias can impact the performance evaluation process. This workshop was offered by request eight times during the Summer and Fall of 2015 to managers in each of the regional offices and in headquarters offices.

3.4 Employee engagement

The Bureau uses employee feedback to gain insight into and improve its organizational culture. The CFPB analyzes feedback received from its Annual Employee Survey (“AES”), New Employee and Exit Surveys to inform the Bureau’s employee-related initiatives and to make improvements in the Bureau’s operations. The OMWI works with OHC and other partners across the Bureau to compile data, conduct extensive analyses of the surveys, and brief senior leadership on trends in employee perception based on feedback. The data analyses assist the Bureau in understanding what the CFPB is doing well and identifying areas for improvement.

The AES assesses a broad range of employee perspectives. More than 79.3% of the CFPB employee population participated in the 2015 survey. In order to understand the employee experience from several vantage points, the Bureau analyzed the results of the survey as a whole, by division and office and by participant demographics. The Bureau also compares CFPB’s AES results against benchmark data from the Federal Employee Viewpoint Survey (FEVS) where possible. This level of analysis and granularity enables the Bureau to examine employee feedback from various perspectives across employee groups.

The Bureau’s analysis indicates that the CFPB continues its trend of strong results compared to government wide results across all content areas measured by the survey. The 2015 results showed notable improvements over those of the CFPB 2014 AES.

The Bureau continues to actively utilize the Inclusion Quotient standards developed by the Office of Personnel Management (“OPM”) to measure CFPB’s inclusiveness. This subset of 20 survey items on the AES is highly correlated to the formation and sustainment of an inclusive workplace. These survey items allow the CFPB to measure employee perception as it relates to workplace inclusion in the following categories: Fair, Open, Cooperative, Supportive, and Empowered. A short description of each category is shown below.

- Fair: Items deal with fairness in performance and evaluation, rules, and procedures.

- **Open:** Items deal with whether diversity and inclusion are promoted by the agency overall and/or its managers.
- **Cooperative:** Items deal with whether managers promote communication and support collaboration.
- **Supportive:** Items deal with management and leadership style.
- **Empowering:** Items deal with participation in decision-making.

The CFPB’s results exceeded the federal government-wide metrics for the inclusion quotient in all areas. Director Cordray and the OMWI Director shared the results of the AES with employees in an All-Hands announcement and additionally the report including the AES results and various breakouts is available to all employees on the Bureau’s intranet.

TABLE 2: CFPB INCLUSION INDEX

| Inclusion Quotient Index | CFPB FY2015 | Govt wide FY2015 |
|---|--------------------|-------------------------|
| Inclusion Quotient: Combines all five indices | 65.80% | 57.0% |
| Fair: Items deal with fairness in performance evaluation, rules, and procedures. | 46.0% | 43.0% |
| Open: Items deal with whether diversity and inclusion are promoted by the agency and/or managers. | 69.9% | 56.4% |
| Cooperative: Items deal with whether managers promote communication and support collaboration. | 63.3% | 52.5% |
| Supportive: Items deal with management and leadership style. | 85.4% | 75% |
| Empowering: Items deal with participation in decision-making. | 64.6% | 57.0% |

The CFPB participated in the Partnership for Public Service’s Best Places to Work rankings. These rankings are based on the Federal Employee Viewpoint Survey conducted by OPM, plus surveys by eight additional agencies and the intelligence community. The CFPB tied in rank at number 8 among 25 mid-sized agencies. The CFPB’s ranking rose from #12 in 2014. The

rankings are based on whether employees recommend the CFPB as a good place to work, are satisfied with their jobs, and are satisfied with the organization overall. The Partnership for Public Service also provides rankings based on several more specific indices of survey results. Among mid-sized agencies, the CFPB's best results were a second place ranking for "Employee Skills-Mission Match and "Effective Leadership: Supervisors" and a third place ranking in the category "Support for Diversity". Overall, CFPB ranked high in 13 of the 14 areas identified by the Partnership for Public Service. <http://bestplacestowork.org/BPTW/rankings/detail/FRFT>

3.5 Initiatives

The OMWI provides support to the Bureau in its effort to create and maintain a diverse and inclusive environment and to shape organizational culture by providing awareness, education, collaboration, and innovative infrastructure programs to support the employee experience.

3.5.1 Bureau initiatives

In 2015, the CFPB established new initiatives and policies and continues to offer existing programs to improve diversity and inclusion at the Bureau, many of which are highlighted below:

- Leaders from OHC, OCR, OMWI and the Director's Office continue to meet regularly to discuss various initiatives within each of the offices, as well as how these programs and related policies can improve diversity and inclusion at the Bureau.
- The Executive Advisory Council continues to support the efforts of the OMWI by providing thoughtful input into OMWI programming and by serving as champions for diversity and inclusion initiatives throughout the Bureau.
- Leaders and managers throughout the Bureau continue to take a more proactive approach to understanding and improving their divisional cultures by seeking advisory services from the OMWI.
- A Diversity and Inclusion Council of Employees has been established consisting of employees from across the Bureau to advise OMWI on internal employee-focused issues related to diversity and inclusion at the CFPB. These employees will share insights so

that OMWI and Bureau leaders are aware of substantive issues related to employee engagement and inclusiveness at the Bureau.

- Through the Bureau’s “Workforce of the Future” initiative, an executive steering committee proactively continues to define and reinforce Bureau culture and to ensure the creation of systems and processes that align and support the desired cultural norms for the CFPB workforce. The committee established several norms in 2015 for workplace behaviors that will create the workforce experience that enables us to do our best work.
- The Bureau has adopted a business case for diversity that aligns the Bureau’s mission with diversity and inclusion goals. In 2016 the OMWI plans to work with divisions to assist them in crafting division-specific business case documents that align with divisional missions and goals.
- The OMWI worked with divisions and OHC partners to develop and meet measurable diversity and inclusion goals and objectives that have been incorporated into divisional strategic plans for 2015. The diversity and inclusion goals support the strategic goals for the Government Performance and Results Act (GPRA).
- The Bureau has enhanced diversity and inclusion competencies for all managers to ensure managers are contributing to building a high-performing diverse workforce at the Bureau and promoting a fair, collaborative, and flexible work environment.
- The OMWI continues to keep employees informed of Bureau initiatives through the Bureau’s newsletter and through weekly messages from the Bureau Director to all employees.
- The OMWI launched a policy and guidance for employees to establish employee resource/affinity groups.
- The OMWI has created an employee mentoring bank and has launched the program in four divisions and will continue to roll out the program more broadly in 2016.
- The OHC provides employees with a Career Planning Framework which provides a set of interrelated tools and processes to aid employees’ career awareness and development at any stage of their career. Guidance is geared toward creating congruence between experience and opportunities throughout the Bureau.

3.5.2 Reviews of the CFPB

The Inspector General of the Board of Governors of the Federal Reserve System (“IG”), which serves as the Bureau’s Inspector General, conducted an audit of activities related to diversity and inclusion at the request of certain members of Congress in 2014.⁴ The IG found “OMWI fully complies with 9 of the 10 requirements”⁵ set forth by Section 342 of Dodd-Frank covered by the scope of the audit. The audit made a number of recommendations to the Bureau, including three for OMWI. The Bureau agreed with the recommendations and has implemented all three. Following is a description of the IG’s recommendations and the actions taken by the Bureau to implement them.

- Implement the CFPB’s diversity and inclusion strategic plan satisfying the requirement to implement the Office of Personnel Management’s *Government-Wide Diversity and Inclusion Strategic Plan*.
 - In September of 2015, the Bureau created a diversity and inclusion strategic plan and has shared this publicly on the CFPB’s website.
<http://www.consumerfinance.gov/reports/cfpb-diversity-and-inclusion-strategic-plan-2016-2020/>
- Formalize as a policy statement the standards on which the Office of Minority and Women Inclusion relies for equal employment opportunity and the racial, ethnic, and gender diversity of the workforce and senior management of the agency.
 - The Office of Equal Opportunity and Fairness (“OEOF”), which consists of the OMWI

⁴ Audit Report 2015-MO-C-002 at 56 “The CFPB Can Enhance Its Diversity and Inclusion Efforts”, March 4, 2015. The Congressional requestors made similar requests of Inspectors General for audits at certain other agencies covered by Section 342 of Dodd-Frank: the Board of Governors of the Federal Reserve System, the Office of Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Federal Housing Finance Agency, the National Credit Union Administration and the Securities and Exchange Commission.

⁵ The IG noted that the requirement “each [OMWI] Director shall develop standards for equal employment opportunity and the racial, ethnic, and gender diversity of the workforce and senior management of the agency” had not been met. This requirement was fulfilled in October 2015, and was published on the Bureau’s website.

and the OCR has finalized the policy statement for the standards on which the OEOF relies for equal employment opportunity and diversity of the workforce.

http://files.consumerfinance.gov/f/201511_cfpb_eeo-and-di-standards-Design.pdf

- Ensure diversity and inclusion training is mandatory and provided to all employees and supervisors on a regular basis, and is evaluated for effectiveness using performance metrics and the results are incorporated into the training, as needed.
 - Mandatory Diversity Awareness Training is in place and more than 1,099 employees have been trained as of year-end 2015. A summary of the evaluations of these sessions is discussed in the Training section of this report.
 - Mandatory Manager Diversity Training is in place and over 225 managers have been trained as of year-end 2015.

In addition, the Government Accountability Office (“GAO”), at the request of other Members of Congress, started an audit in 2014 on the Bureau’s efforts to address internal issues including personnel management practices. GAO completed field work for this audit in 2015. GAO has not released its audit report.

3.5.3 Heritage month events

The CFPB hosted a number of well-attended events in recognition of various heritage months throughout the year, including Asian Pacific American Heritage Month; Black History Month; Hispanic Heritage Month; Lesbian, Gay, Bisexual and Transgender Pride Month; Native American Heritage Month and; Women’s History Month. These events featured a wide range of speakers and other presentations often discussing the work of the Bureau and its impact on various communities. These events were organized and hosted by the combined efforts of the Culture Team, the External Affairs Division, the OCR and the OMWI.

3.6 Outreach and partnerships

The OMWI is an active participant in the CFPB’s outreach and recruiting efforts and continues to establish partnerships in order to attract diverse talent for various positions throughout the

Bureau and to educate minority and women populations about the CFPB. The OMWI serves as a strategic advisor to the Bureau's recruitment and hiring efforts and collaborates with the OHC's Talent Acquisition team to direct resources toward institutions and professional organizations with diverse applicant pools. Further, the OMWI is actively involved in the Bureau's internship programs. Building a pipeline through internship and student volunteer opportunities supports the Bureau's efforts to build a diverse workforce. During the summer of 2015, the Bureau hired a diverse group of 73 undergraduate and graduate students through the Federal Government's Pathways Summer Internship Program. Through this program, interns have access to developmental opportunities in a dynamic work environment and the CFPB benefits from the unique perspectives from students with diverse experiences and backgrounds. The Bureau also utilizes the Pathways Program and the Bureau's two-year developmental programs such as the Director's Financial Analyst, the Honors Attorney, and the Technology Fellows programs to attract students and recent graduates to the Bureau. In 2015, the Bureau conducted recruiting at:

TABLE 3: UNIVERSITY RECRUITMENT

| 2015 College, University and Graduate School Recruiting |
|--|
| Barnard College |
| University of California – Berkeley |
| California State University – Fullerton |
| University of California – Riverside |
| University of Chicago |
| Columbia University |
| Duke University |
| University of Florida |
| Gallaudet University |
| George Mason University |
| George Washington University |
| Georgetown University |
| Hampton University |
| Harvard University |
| University of Houston |
| Howard University |
| Johns Hopkins University |
| University of Maryland |
| Massachusetts Institute of Technology |
| University of Illinois – Urbana Champaign |
| University of Michigan |
| Michigan State University |
| Morehouse College |

2015 College, University and Graduate School Recruiting

Morgan State University

New York University

University of North Carolina – Chapel Hill

North Carolina A&T University

Northwestern University

University of Pennsylvania

Greater Philadelphia Area Law Schools

Rice University

Rutgers University

Spelman College

Stanford University

University of Texas at Austin

Texas A&M University

Tufts University

Utica College

University of Virginia

College of William & Mary

University of Wisconsin

Yale University

The CFPB also engages in extensive outreach for experienced professionals and experts and utilizes the broad reach of professional organizations to access potential candidates. The Bureau attended the following recruiting events in 2015:

- Association of Latino Professionals in Finance & Accounting (“ALPFA”) Central Region Student Symposium Career Fair – Houston, TX

- ALPFA Southeast Region Student Symposium Career Fair – Orlando, FL
- ALPFA National Convention – Lake Buena Vista, FL
- ALPFA Northeast Region Student Symposium Career Fair – Newark, NJ
- Congressional Black Caucus (“CBC”) Annual Conference – Washington, D.C.
- East Coast Asian American Student Union (“ECAASU”) Conference – Washington, D.C.
- Equal Opportunity Publications STEM Career Fair - Washington, D.C.
- Hispanic National Bar Association (“HNBA”) 40th Annual Convention – Boston, MA.
- Lavender Law Conference & Career Fair (LGBT Bar Association) - New York, NY
- The League of United Latin American Citizens (“LULAC”) National Conference & Expo – Salt Lake City, UT
- National Asian Pacific American Bar Association (“NAPABA”) Annual Convention – New Orleans, LA
- National Association for the Advancement of Colored People (“NAACP”) Annual Convention – Philadelphia, PA
- National Association of Asian American Professionals (“NAAAP”) National Conference & Diversity Career Fair – Anaheim, CA
- National Association of Black Accountants (“NABA”) – Eastern and Southern Conferences
- National Association of Women MBAs (“NAWMBA”) Conference & Career Fair – Houston, TX
- The National Bar Association Annual Convention – Los Angeles, CA
- National Black MBA Association (“NBMBAA”) Annual Conference & Expo – Orlando, FL
- National Council of La Raza (“NCLR”) National Expo – Kansas City, MO
- National Society of Hispanic MBAs (“NSHMBA”) Conference & Career Expo – Chicago, IL

- National Urban League Annual Conference – Ft. Lauderdale, FL
- Women of Color (STEM)

The CFPB recognizes that the creative and innovative use of social media and other tools is essential to maximizing outreach efforts. The CFPB utilizes key components of LinkedIn to connect with diverse member organizations and to generate interest in the CFPB as an employer of choice. The CFPB utilizes Twitter to advertise events to potential applicants in order to maximize participation while at outreach events.

In addition to the USAJOBS website, the CFPB also posts opportunities on its website and utilizes an internal network of staff to advertise employment opportunities. The CFPB leverages the Professional Diversity Network (“PDN”) and other organizations to promote the CFPB and publish all available job opportunities to diverse audiences, including minorities, women, veterans, persons with disabilities and LGBT individuals. This provides the benefit of broadening our recruitment reach over a larger audience. This digital strategy also has the ability to maintain a constant connection with these communities ensuring engagement is timed with available opportunities.

In 2016, the CFPB will continue to refine our recruitment and outreach strategy to ensure the best possible results for stated diversity objectives. These efforts will include the following actions:

- continue outreach to, and recruitment, and hiring of diverse candidates;
- continue to recruit at minority-serving and majority-minority colleges and universities;
- establish and maintain partnerships with various professional and educational organizations with diverse student populations and other governmental entities;
- educate applicants regarding the hiring process;
- participate in targeted internship programs;
- conduct specific diversity and inclusion training for all personnel engaging in the hiring process; and
- continue to refine the objective criteria of job descriptions, assessments, and structured interviews.

3.6.1 Hispanic outreach

The CFPB has conducted extensive outreach to the Hispanic community on the CFPB's programs, products, and activities. Staff members from across the Bureau actively connect with consumers to discuss the CFPB's products, services, and initiatives. Director Cordray, along with other senior leaders, gathers regularly with diverse stakeholders from around the country in an effort to build collaborative networks and substantial access to consumers.

Hispanics are estimated to comprise 30.6% of the total US population by 2060 and are predicted to have a buying power of \$1.6 trillion by 2018. As we continue to formulate policies and regulations impacting this growing consumer base, the CFPB recognizes the importance of increasing Hispanic representation at the Bureau.

The CFPB continues to conduct outreach and recruiting to Hispanic communities throughout the year. To ensure our efforts are deliberate and robust, the CFPB Director meets regularly with leadership from the OMWI, the OHC, the OCR, External Affairs, and the Strategy Office to discuss CFPB initiatives supporting our goals to increase Hispanic representation at the Bureau.

The CFPB continues to develop partnerships with organizations such as ALPFA, the Hispanic National Bar Association, and the National Society of Hispanic MBAs, which provide access to talent pools with the skills and qualifications aligning with CFPB job opportunities. The Bureau is particularly committed to utilizing our student programs to capture candidates early in their career development to introduce the possibility of a career in public service. The CFPB plans to continue to partner with these organizations as a pipeline development source.

The CFPB will continue to expand its multi-pronged communication and outreach strategies to ensure the Hispanic community continues to receive information about the CFPB consumer education products and services, hiring events, job vacancies, and any other employment or consumer-related communications. Internal partnerships between the OMWI, the OHC, the External Affairs division, and the Office of Financial Education continue to support these initiatives. The CFPB will continue to:

- Represent the CFPB as an employer of choice;
- Maximize opportunities to disseminate career and employment-related communications to the Hispanic community, including Hispanic-Serving Institutions, Hispanic

professional organizations, Hispanic faith-based and community organizations, and other affinity groups;

- Leverage existing student databases utilized by Hispanic-serving educational institutions and Hispanic affinity groups in order to expand outreach capacity;
- Utilize social media, such as Facebook, Twitter, and LinkedIn to reach out to the Hispanic community to share information on the CFPB’s initiatives, internships, and job opportunities;
- Maximize opportunities to disseminate financial education materials to the Hispanic community; and
- Provide a forum to hear from community leaders about consumer finance issues and challenges within the Hispanic community.

These initiatives continue to strengthen the CFPB’s connection with the Hispanic community in an effort to learn from them, provide financial education, and to continue to develop a broader applicant pool reflective of the changing demographic of consumers we serve.

3.7 Community education and engagement

As part of the Bureau’s mission to protect and educate American consumers, the CFPB is committed to maintaining close relationships with community-based organizations and other special population focused groups. These relationships are vital to reaching consumers and to providing the Bureau with information about community experiences with consumer finance markets, including early indicators of trends and practices which may be harmful to consumers. The Bureau provides tools and resources both directly to consumers and through intermediaries, including community-based organizations. The Bureau regularly engages with community-based, civil rights, industry, academic, and regulatory organizations (including those serving women and minority communities), through roundtable discussions, listening sessions, and attendance at conferences across the country. The OMWI works collaboratively with the Bureau’s External Affairs Division as well as the Consumer Education and Engagement (“CEE”) Division to engage with these groups to help fulfill the objectives of OMWI and the Bureau.

CEE creates opportunities for consumers to make better decisions about money to reach their own life goals. To this end, CEE provides consumers with financial education content, tools and resources. Through research, CEE also identifies and encourages the use of effective financial education practices to a wide variety of groups reaching consumers, including minorities and women. The CEE team works to ensure consumers can access practical, actionable information about financial goals, decisions, products, and services to help build their financial knowledge and skills and empower them to make better informed financial decisions for themselves and their families. This includes making financial education resources available in other languages for limited English proficient consumers. To date, the CFPB has translated its most critical and frequently requested documents to Spanish (<http://promotions.usa.gov/cfpbpubs.html>). Certain publications are also available in Chinese, French, Haitian Creole, Tagalog, Chinese, Korean and Vietnamese. The Bureau's interactive online tool, "AskCFPB," which gives consumers answers to over 1,000 questions about financial products and services, is available in Spanish (<http://www.consumerfinance.gov/es/obtener-respuestas/>). The CEE team also leads initiatives specifically focused on service members, older Americans, students, and low-income and other economically vulnerable consumers.

The Bureau is committed to gathering a wide range of perspectives to inform its work. Through the work of the External Affairs division and CEE, the Bureau has engaged thousands of representatives from diverse communities through meetings, briefing calls, field hearings, conferences, and public appearances. Through these events the Bureau also shares information about the Bureau's work and resources.

In calendar year 2015 the Bureau hosted 13 public events in geographically-diverse areas around the country. These included field hearings in Newark, NJ; Richmond, VA; Milwaukee, WI; and Denver, CO on issues ranging from payday lending, arbitration and student loans, as well as public events in Washington DC on planning for retirement and the mortgage closing process. In addition the Bureau hosted public meetings of its Consumer Advisory Board in Washington DC and Omaha, NE as well as public meetings of its Community Bank Advisory Council and Credit Union Advisory Council in Washington, DC. All of these events provided opportunities for the Bureau to share information about its work with a diverse array of stakeholders and the public, as well as opportunities for the Bureau's work to be informed by diverse input, perspectives, and feedback from stakeholders and the public.

In addition to conducting outreach and sharing resources, the Office of Financial Empowerment works to empower low-income and economically vulnerable consumers, a populations which

includes people of color, people with disabilities, and women, through various methods, including:

- Providing tools and resources: The Bureau developed a financial empowerment toolkit, Your Money Your Goals, and has partnered with 10 national entities such as The Community Actions Partnership, Catholic Charities, and the Sault Sainte Marie Tribe of Chippewa Indians as part of a national rollout to provide training and support for the toolkit. This initiative, which helps intermediaries help their clients identify and address financial challenges, is designed to reach thousands of social workers and other front line staff who interact with low-income consumers, a significant percentage of whom are women and people of color. The toolkit, training and survey instruments are available in English and Spanish at www.consumerfinance.gov/your-money-your-goals.
- Developing programs: Through contracts the Bureau provides support to low income and economically vulnerable clients and recently transitioned veterans by placing trained financial coaches in community-based organizations.. The Bureau has contracted to provide financial coaching services to clients of 20 community-based organizations throughout the country serving low-income consumers, many of which serve specific minority groups as part of their mission. Another 40 sites, almost all Department of Labor American Job Centers host financial coaches who work with recently discharged veterans.
- Building partnerships with intermediaries focusing on the underserved: The Bureau works with a diverse set of community-based organizations and federal agencies to reach vulnerable populations in order to provide them with technical assistance and tools to support their work with low-income and economically vulnerable customers. For example, in 2014, the Bureau engaged 13 community Voluntary Income Tax Assistance (“VITA”) programs which provide free tax preparation assistance to eligible low-income consumers, in an initiative to educate and promote savings opportunities for individuals and families at tax time. Through an expanded effort in 2015, the Bureau provided training and materials to 75 VITA programs that served approximately 150,000 consumers. And for the 2016 tax season the Bureau has engaged 41 VITA Programs, which will serve an estimated 330,000 consumers in a large scale pilot to implement and test some of the most promising practices for encouraging saving at tax time that we identified from the Bureau’s experiences in the previous two tax seasons.

As a result of a demonstration project the Bureau conducted with four summer youth

employment sites the Bureau is now partnering with the Department of Labor to provide several local youth employment programs with training and materials designed to teach youth workers and jobseekers money management and decision-making skills around financial products and services. In addition, the CFPB is a member of the Department of Justice-led Federal Interagency Reentry Council, which includes more than 20 agencies working toward reducing recidivism and removing barriers for justice-involved individuals transitioning back to their communities.

3.8 Recap of Bureau diversity accomplishments

Over this past year, the OMWI has worked with Bureau partners to tackle a number of diversity initiatives, which include:

- Continuing to understand the employee experience through various feedback mechanisms including the AES, the New Employee Survey and exit surveys;
- Raising awareness and understanding of diversity and inclusion concepts and how these impact and influence Bureau culture and mission by providing training for managers and staff;
- Launching a Diversity and Inclusion Council of Employees consisting of employees from throughout the organization and the regions that can serve as a feedback mechanism to the OMWI;
- Finalizing the Bureau's Diversity and Inclusion Strategic Plan that outlines the organizational goals to increase diversity and support inclusion over the next four years;
- Developing divisional strategic goals, leadership goals, and individual employee competencies focusing on diversity and inclusion within each of the functional areas of the Bureau to build in accountability throughout the organization;
- Creating and launching the *Bureau's Business Case for Diversity and Inclusion* that outlines why diversity and inclusion are important to the success of the Bureau;

- Releasing a policy that will enable employees to establish employee resource groups (“ERGs”) in order to convene on special interests and support the Bureau in recruiting and retaining a diverse and inclusive workforce;
- Building internal systems and processes supporting employee development and engagement through training opportunities, detail (rotational) opportunities, career pathing guidance, and individual development planning;
- Continuing to benefit from the support of an executive diversity and inclusion council of senior leaders that provide guidance and advocacy for the Bureau’s diversity and inclusion strategy;
- Collaborating with the OHC, OCR, division leaders, and the Executive Advisory Council on various initiatives supporting the Bureau’s business case for diversity and the development of an inclusive environment;
- Increasing communication flow and channels to employees through the OMWI newsletter, the CFPB intranet, as well as emails from the Director and the OMWI Director to all staff;
- Providing managers with tools and training necessary to effectively lead a productive team in accomplishing the Bureau’s mission;
- Ensuring the Bureau’s staff and leadership competencies include diversity and inclusion;
- Analyzing data to assess whether there are observable differences in outcome by demographics and sharing these findings with decision-makers at the Bureau;
- Creating and maintaining strategic partnerships with colleges, universities, professional organizations, and affinity groups from across the country;
- Educating and encouraging managers at the CFPB regarding utilizing internship programs, special hiring authorities, and the Pathways Program to access diverse pools of applicants from around the country;
- Assessing the Bureau’s hiring processes to ensure that the CFPB is providing fair and consistent opportunity to all candidates;
- Providing training on hiring processes and methods to maximize diversity and inclusion; and

- Participating in targeted recruitment and outreach to affinity groups, minority and women-serving institutions, and other minority- and women-focused professional organizations to build a diverse applicant pool.

In 2016, the OMWI will continue to recommend and pursue initiatives and programs supporting a diverse and inclusive environment at the CFPB.

4. Procurement

The CFPB is committed to greater economic empowerment for women and minorities and aims to promote procurement opportunities for minority-owned and women-owned businesses. The CFPB recognizes the crucial role these businesses play in the economic recovery by creating jobs and spurring long-term growth and innovation. In Fiscal Year (“FY”) 2015, the Bureau entered into 1,450 contract actions, totaling approximately \$244 million. Of the total contract dollars awarded in FY15, 5% went to women-owned businesses and 9% went to minority-owned businesses. Tables 4-6 provide historical breakdowns of percentages and contract dollars awarded to women-owned and minority-owned businesses.

TABLE 4: OVERVIEW OF OVERALL MINORITY-OWNED AND WOMEN-OWNED BUSINESS CONTRACTS BY OBLIGATION DOLLARS AND TRANSACTION COUNT FOR FISCAL YEARS 2012-2015

| Type of Vendor | FY 2015 | FY 2014 | FY 2013 | FY 2012 |
|-------------------------------------|---------------|---------------|----------------|---------------|
| Total Obligated Dollars | \$244,164,184 | \$151,024,453 | \$ 111,680,021 | \$ 87,090,643 |
| MWOB | \$26,388,324 | \$31,713,034 | \$ 20,920,245 | \$ 13,682,176 |
| <i>% of Total</i> | <i>11%</i> | <i>21%</i> | <i>19%</i> | <i>16%</i> |
| Women Owned (WO) | \$12,762,670 | \$15,376,560 | \$ 9,830,322 | \$ 5,175,954 |
| <i>% of Total</i> | <i>5%</i> | <i>10%</i> | <i>9%</i> | <i>6%</i> |
| Minority Owned (MO) | \$21,424,081 | \$21,646,173 | \$ 16,972,273 | \$ 11,705,345 |
| <i>% of Total</i> | <i>9%</i> | <i>14%</i> | <i>15%</i> | <i>13%</i> |
| Asian American/ Pacific Islander | \$10,215,953 | \$12,043,603 | \$ 7,391,732 | \$ 4,754,517 |
| <i>% of Total</i> | <i>4%</i> | <i>8%</i> | <i>7%</i> | <i>5%</i> |
| African American | \$6,809,789 | \$4,711,373 | \$ 5,202,290 | \$ 2,999,953 |
| <i>% of Total</i> | <i>3%</i> | <i>3%</i> | <i>5%</i> | <i>3%</i> |
| Hispanic American | \$2,281,320 | \$540,295 | \$ 1,160,524 | \$ 2,949,437 |
| <i>% of Total</i> | <i>1%</i> | <i>0.4%</i> | <i>1%</i> | <i>3%</i> |
| American Indian/ Alaskan Native | \$518,500 | \$664,808 | \$ 896,301 | \$ 69,865 |
| <i>% of Total</i> | <i>0.2%</i> | <i>0.4%</i> | <i>1%</i> | <i>0.1%</i> |
| All Other | \$955,580 | \$2,570,951 | \$ 1,968,999 | \$ 273,273 |
| <i>% of Total</i> | <i>0.4%</i> | <i>1.7%</i> | <i>2%</i> | <i>0.3%</i> |

TABLE 5: OVERVIEW OF OVERALL MINORITY-OWNED AND WOMAN-OWNED BUSINESS CONTRACTS BY TRANSACTION COUNT FOR FISCAL YEARS 2012-2015*

| Type of Vendor | FY 2015 | FY 2014 | FY 2013 | FY 2012 |
|-------------------------------------|---------|---------|---------|---------|
| Total Transactions | 1450 | 1247 | 922 | 639 |
| MWOB* | 438 | 355 | 240 | 171 |
| <i>% of Transactions</i> | 30% | 28% | 26% | 27% |
| Women Owned (WO) | 323 | 253 | 157 | 101 |
| <i>% of Transactions</i> | 22% | 20% | 17% | 16% |
| Minority Owned (MO) | 264 | 201 | 157 | 145 |
| <i>% of Transactions</i> | 18% | 16% | 17% | 23% |
| Asian American/ Pacific Islander | 46 | 25 | 20 | 24 |
| <i>% of Transactions</i> | 3% | 2% | 2% | 4% |
| African American | 91 | 76 | 61 | 51 |
| <i>% of Transactions</i> | 6% | 6% | 7% | 8% |
| Hispanic American | 35 | 19 | 19 | 29 |
| <i>% of Transactions</i> | 2% | 1.5% | 2% | 5% |
| American Indian/ Alaskan Native | 4 | 2 | 8 | 6 |
| <i>% of Transactions</i> | 0.3% | 0.2% | 1% | 1% |
| All Other | 20 | 21 | 25 | 12 |
| <i>% of Transactions</i> | 1% | 1.7% | 3% | 2% |

*MWOB: Minority-Owned, Women-Owned or Both also include self-certified small disadvantaged businesses. Note: Contracting

Awards represent the total obligation dollars and transactions of contracts and task orders issued during the given year. Federal Procurement Data System (FPDS) combines classification for Asian and Pacific Islander owned businesses. FPDS data was consolidated on 2/2/2015. Some actions may fall into more than one category. Women/Minority includes all women and/or minority-owned businesses, with each transaction counted once regardless of falling into multiple categories.

In addition, the CFPB establishes annual goals for awarding contracts to small businesses and follows the Federal Acquisition Regulation (“FAR”). To ensure small businesses are encouraged to receive a portion of federal procurements, Congress has established annual goals that 23% of Federal procurement dollars should be directed toward different socioeconomic categories of small businesses. The CFPB, in its commitment to promoting small businesses, has individually set a higher goal of 28.5% for small business procurement awards. In FY15, the CFPB contracted \$40 million to small businesses, a total representing approximately 16% of all CFPB contract awards. While this is a decrease from the previous year, it is driven primarily by a small number of higher value contracts. Tables 4-6 provide historical breakdowns of percentages and contract dollars awarded to small-business owners and those businesses within the congressionally determined socioeconomic categories of small, disadvantaged-owned businesses; women-owned small businesses; service-disabled, veteran-owned small businesses; and HUB Zone businesses.

TABLE 6: OVERVIEW OF SMALL BUSINESS AWARDS FOR FISCAL YEARS 2012-2015

| Contracting Actions | FY 2015 | FY2014 | FY 2013 | FY 2012 |
|---|----------------|---------------|----------------|----------------|
| Small Business Total | \$40,051,121 | \$45,431,232 | \$34,191,750 | \$22,155,566 |
| <i>% of Total</i> | 16% | 31% | 32% | 27% |
| Small Disadvantaged Business | \$12,041,674 | \$14,157,591 | \$ 9,747,372 | \$ 7,096,373 |
| <i>% of Total</i> | 5% | 10% | 9% | 9% |
| Women Owned Small Business | \$12,726,829 | \$15,328,669 | \$ 9,830,322 | \$ 4,959,026 |
| <i>% of Total</i> | 5% | 10% | 9% | 6% |
| Service Disabled Veteran Owned Small Business | \$5,544,318 | \$5,167,743 | \$ 1,797,082 | \$ 4,900,419 |
| <i>% of Total</i> | 2% | 3% | 2% | 6% |
| HUB Zone Small Business | \$2,029,328 | \$2,889,320 | \$ 2,561,903 | \$ 1,055,645 |
| <i>% of Total</i> | 1% | 2% | 2% | 1% |

The following Figures 29 through 31 detail the historical obligations by the North American Industry Classification System (“NAICS”) code which identifies products and service categories of purchase for Fiscal Years 2013 - 2015. FPDS data was consolidated on 2/2/2015.

FIGURE 29: OVERVIEW OF NAICS CODE FOR FISCAL YEAR 2013

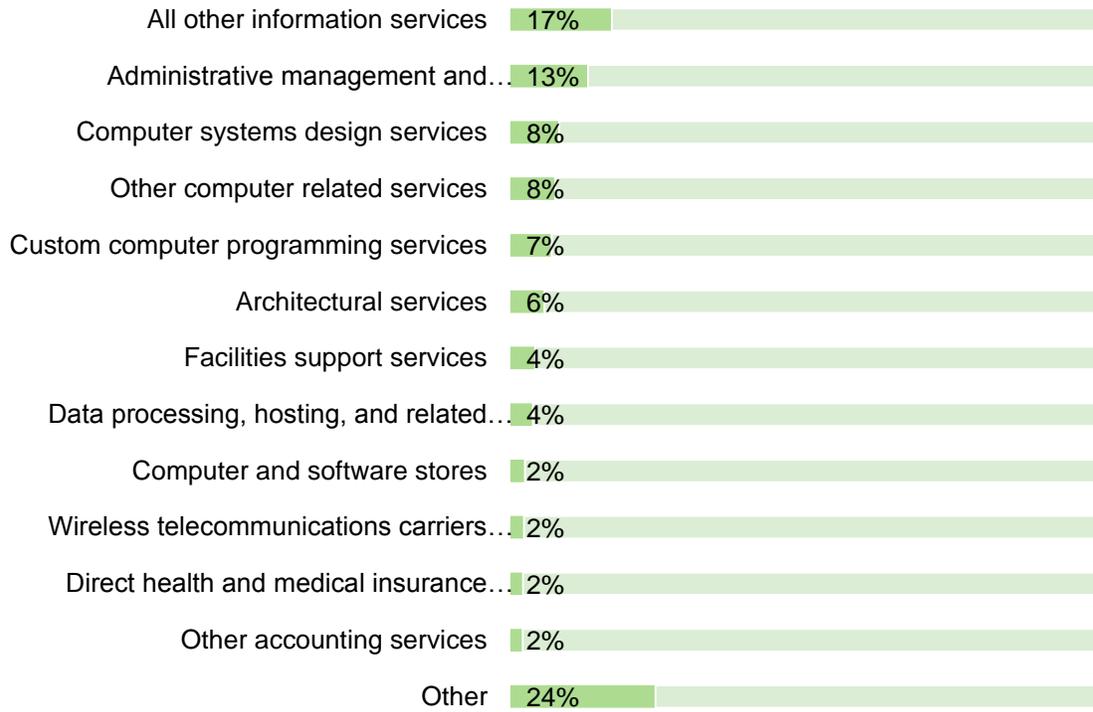


FIGURE 30: OVERVIEW OF NAICS CODE FOR FISCAL YEAR 2014

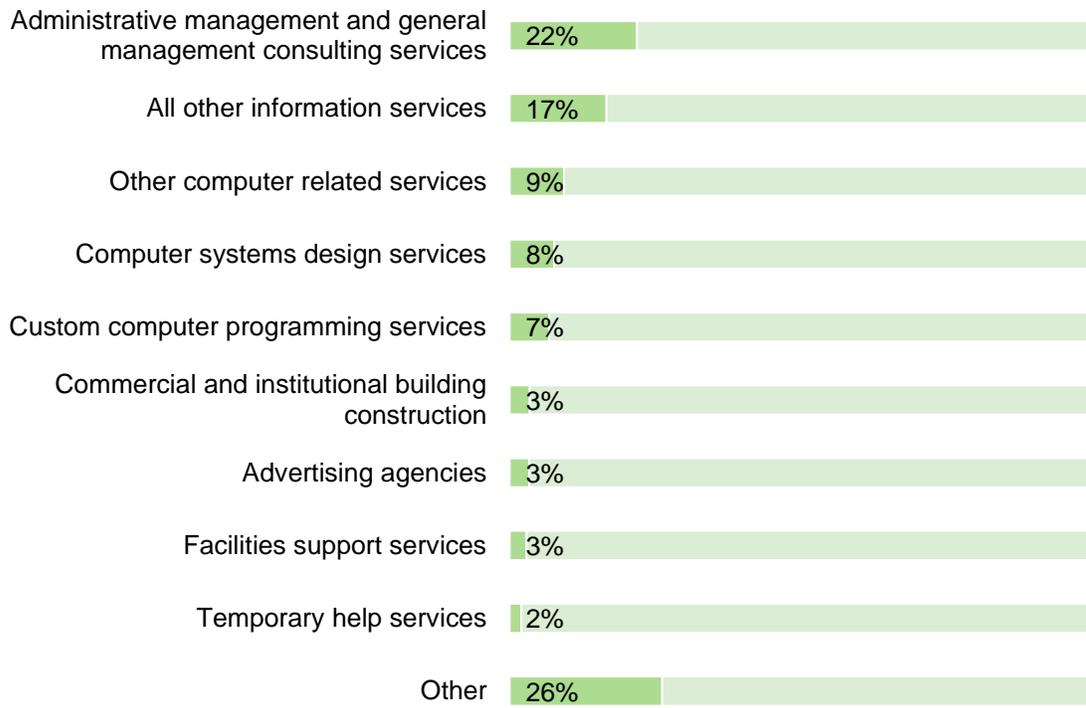
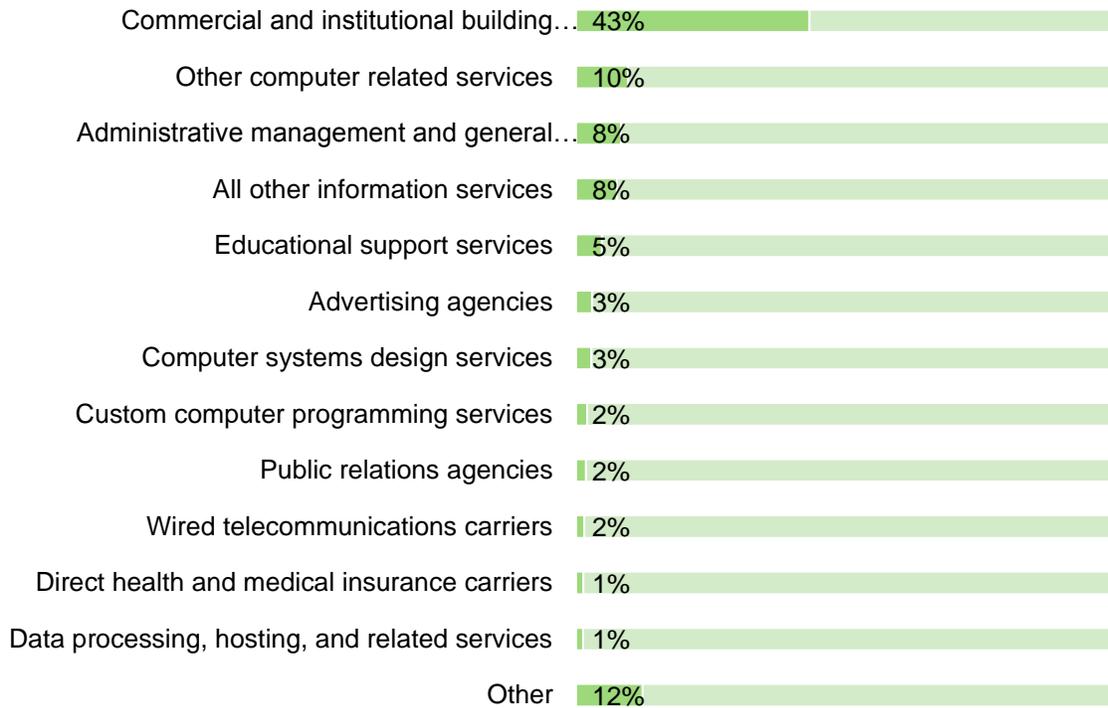


FIGURE 31: OVERVIEW OF NAICS CODE FOR FISCAL YEAR 2015



The OMWI and the Office of Procurement continue to find ways to source a diverse pool of prospective vendors and provide resources to minority-owned and women-owned businesses. The OMWI is in the process of finalizing a provision requiring vendors doing business with the Bureau to demonstrate a good faith effort to enhance employment of minorities and women as required under Section 342(c)(2) of the Dodd-Frank Act. The Bureau plans to incorporate this provision into our procurement solicitations and contracts, when applicable, and make the provision publicly available on our website. The OMWI will also develop a system in which to evaluate vendors' good faith efforts and work with the Office of Procurement to raise awareness among our current vendors and within our business units.

4.1 Interagency work on supplier diversity initiatives

The CFPB OMWI Director is a regular participant in an interagency working group consisting of other OMWI Directors from the Federal Deposit Insurance Corporation, the Federal Housing

Finance Agency, the Federal Reserve Board of Governors, the Department of the Treasury, the National Credit Union Administration, the Office of the Comptroller of the Currency, and the Securities and Exchange Commission. The CFPB also participates in a staff level interagency supplier diversity working group that convenes regularly to share best practices. In 2015, the CFPB and interagency partners participated in a series of joint procurement events targeted at recruiting diverse suppliers. The OMWI continues to distribute jointly developed materials, including information on the OMWIs' directives and other financial agency contract information when meeting with minority-owned and women-owned businesses seeking federal procurement opportunities. The working group is also currently working on developing standardized supplier diversity metrics for our public reports.

4.2 Training and resources

Educating minority-owned and women-owned businesses interested in procurement opportunities at the Bureau presents an opportunity to increase supplier diversity. To address this opportunity, the OMWI has partnered with the Office of Procurement to offer training on how to do business with the CFPB. In addition to larger supplier diversity outreach events hosted by the Bureau throughout the year, the CFPB has developed a recurring monthly OMWI Procurement Workshop to assist minority-owned, women-owned, and other disadvantaged businesses seeking procurement opportunities within the CFPB. The OMWI launched the program in 2015 and hosted events monthly through the end of the Fiscal Year in August. The OMWI will seek to partner with industry stakeholders to offer these trainings to their membership base in 2016.

The OMWI has developed a number of practical resources for minority-owned and women-owned businesses seeking to do business with the Bureau and OMWI continues to update these resources. These materials include historical obligations by products and services categories, a forecast of future procurements, and information on small business set-asides. The OMWI works with the Office of Procurement to make these resources available digitally and to update them regularly on the CFPB's website: <http://www.consumerfinance.gov/doing-business-with-us/>.

4.3 Outreach for supplier diversity

The CFPB remains a comparatively new federal agency, and therefore the Bureau places emphasis on outreach efforts to ensure that minority- and women-owned businesses can become familiar with the CFPB and the goods and services we procure. Outreach is extremely important to ensuring minority-owned and women-owned businesses are aware of the Bureau's work and existing procurement opportunities. OMWI has engaged in a dynamic outreach effort to raise the Bureau's profile and has developed a series of outreach events focused on supplier diversity. These efforts include the following objectives:

- establishing and developing relationships with key business stakeholders, industry groups, and trade groups;
- participating as speakers on panels, attending supplier diversity events, and co-locating with other federal partners at events when available;
- distributing literature and educational materials aimed at minority-owned and women-owned businesses;
- collaborating with the Office of Procurement on a series of outreach events targeted at minority-owned and women-owned businesses; and
- establishing recurring Supplier Diversity Procurement Workshops to assist minority-owned and women-owned businesses seeking CFPB opportunities.

The CFPB expects its efforts to engage with minority-owned and women-owned businesses will result in the continued growth in the award of contracts to these groups. Additionally, the OMWI has plans to partner with the Office of Procurement to promote supplier diversity by meeting with various business units to discuss their projected acquisition requirements. In doing so, the OMWI will assist with identifying potential minority-owned and women-owned businesses with the capability of providing needed services to the Bureau.

The OMWI engaged with several organizations in order to increase the participation by minority- and women-owned businesses in our procurements. To develop and maintain relationships and partnerships with business organizations, the OMWI participated in "matchmaking" events, business fairs, and scheduled the OMWI Director and other OMWI staff to speak on a number of panels. These included:

- The Congressional Black Caucus Foundation
- The National Urban League
- Virginia Asian Chamber of Commerce (VACC) ProcureCon Virginia Business Opportunity Fair and Industry Trade Expo
- Virginia State Asian Chamber of Commerce
- CFPB Supplier Diversity Workshop
- The Federal Reserve Board Vendor Outreach Fair
- 25th Annual Government Procurement Conference
- Jennifer Schaus Government Contracting Network Event
- OMWI Interagency Technical Assistance Day
- The League of United Latin American Citizens
- The National Council of La Raza
- US Hispanic Chamber of Commerce (USHCC) 24th Annual Legislative Summit Business
- 2015 Out & Equal Workplace Summit – Biz2Biz Expo
- National Reservation Economic Summit (RES)
- Minority Business Development Agency Alliance Texas Conference
- Minority Business Development Agency Alliance South Annual Business Procurement Fair and Trade Show
- National Minority Supplier Development Council Conference & Business Opportunity Fair
- Central North Florida Minority Supplier Diversity 32nd Annual Business Opportunity Fair & Conference
- Veterans In Business Conference
- Annual Veteran Owned Small Business Seminar

- The Women Business Enterprise National Council (WBENC)
- US Business Leadership Network Annual Conference & Biz2Biz Expo
- National Contract Management Association World Congress 2015

In 2016, the OMWI and the Office of Procurement will continue to host industry-focused events at the CFPB to connect potential diverse suppliers to the CFPB buyers. The OMWI has created a tool that will enable us to better track and share our supplier diversity spending. This will enable us to share information broadly with all staff to encourage the use of diverse suppliers as part of our normal business practice. The Bureau plans to continue to increase opportunities for minority- and women-owned businesses at the CFPB by providing tools, resources and technical assistance to businesses.

5. Regulated entities

The CFPB is a regular participant in an interagency working group consisting of other OMWI Directors from the Federal Deposit Insurance Corporation, the Federal Housing Finance Agency, the Federal Reserve Board of Governors, the Department of the Treasury, the National Credit Union Administration, the Office of the Comptroller of the Currency, and the Securities and Exchange Commission.

On October 25, 2013, the CFPB, along with the OCC, the Federal Reserve Board, the FDIC, the NCUA, and the SEC, released a proposed policy statement establishing joint standards for assessing the diversity policies and practices of entities regulated by the agencies. These standards were published in the Federal Register for comment and comments were due back to the agencies by February 7, 2014. These agencies reviewed the comments and developed a final policy statement which was published in the Federal Register on June 10, 2015. OMWI has begun work on plans related to the new standards including creating processes and procedures for entities to voluntarily assess and report on their internal diversity and inclusion.

6. Challenges and opportunities

The Bureau has researched markets, written rules, created consumer tools, conducted supervision and enforcement work on behalf of consumers and engaged in extensive outreach to ensure that the American public has access to consumer protection and financial education. The Bureau has simultaneously recruited an exceptional workforce, established human capital products and services for employees, designed and launched an interactive website and stood up internal technology resources as well as other resources in order to do our work well. The Bureau has accomplished this at an incredibly fast pace and with numerous successes along the way.

The CFPB remains a comparatively new organization and continues to focus on organizational growth and development. The CFPB's culture is essential to the agency's success. Therefore the Bureau continues, led by the Workforce of the Future initiative, to do the work necessary to establish cultural norms that align to the CFPB's values. The Bureau will continue to drive for excellence and focus on solving problems as well as continue to manifest a deep commitment to consumers. We will continue to value different opinions in order to achieve better solutions. We will continue to increase efforts to more consistently value diversity and inclusion, treat each other as partners, and be disciplined in how we make decisions and set priorities. As the CFPB's leaders and employees practice these workplace norms, we can create the cohesion and inclusion that we aspire to.

As this work continues to evolve, the OMWI will work to ensure that all employees, including minorities and women benefit from career development, training and other opportunities throughout the Bureau. The OMWI continues to leverage support from leaders across the Bureau to assist in the CFPB's commitment to ensuring its workforce is diverse and inclusive.

6.1 Conclusion

The Bureau has produced significant results for consumers, and the OMWI continues to contribute to the infrastructure, policies, and programs to ensure diversity and inclusion remain at the core of the Bureau's effectiveness in workplace and workforce and consumer matters, as well as in areas of supplier diversity and diversity issues in the regulated entities. The Bureau continues to make organizational changes that can provide greater transparency and access to information to improve the employee experience. The CFPB continues to evaluate the results of the Annual Employee Survey and other surveys to gauge employee perception of the organization and to inform Bureau initiatives. These and other forthcoming initiatives will continue to add value to the organizational culture and to the CFPB's work.

The CFPB OMWI Director continues to collaborate with the OMWI Directors at other Federal Regulators to share best practices. Contracting with minority- and women-owned businesses as well as small businesses remains a priority.

The CFPB fully supports diversity and inclusion and recognizes their critical role in all of the Bureau's business and activities. The Bureau continues to make efforts to foster a fair, equitable and inclusive environment that best reflects the consumers we serve.