

March 2017

Office of Minority and Women Inclusion Annual Report to Congress

Message from Richard Cordray



Director of the CFPB

I am pleased to share the 2016 Diversity and Inclusion Annual Report, which outlines the CFPB's demographic diversity as well as the strategies and initiatives in place to ensure that the Bureau is diverse and inclusive in all areas of its operations. The report also addresses efforts to fulfill statutory mandates to increase opportunities for minority-owned and women-owned businesses and to assess diversity practices in entities regulated by the Bureau. The focus on diversity and inclusion in the Bureau is developed and implemented under the leadership of the Office of Minority and Women Inclusion (OMWI). 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 Wall Street Reform and Consumer Protection Act (12 U.S.C. § 5452)(e).

Sustainability is an underlying driver of the Bureau's diversity and inclusion strategy. To ensure sustainability, we systematically work to integrate diversity and inclusion into the policies, procedures, processes and culture of the Bureau. In doing so, attending to diversity and inclusion has become a routine part of the way the Bureau functions, thereby ensuring lasting impact. While the diversity and inclusion work is spearheaded by OMWI, the implementation takes place in all areas of the Bureau and throughout its divisions with specific points of collaboration with the Office of Civil Rights (OCR), the Office of Human Capital (OHC), the Procurement Office, the Strategy Office, the Workforce of the Future Committee, and various Bureau-wide committees, such as the Executive Advisory Council and the Diversity and Inclusion Council of Employees.

Our diversity and inclusion initiatives for 2016 were focused in the following broad areas: increasing the diversity of our workforce; ensuring that the work environment is inclusive and

hospitable for all employees; expanding our supplier diversity focus; and preparing to implement the Joint Standards for Assessing the Diversity Policies and Practices of Entities Regulated by the Agencies (“Joint Standards”)¹ developed collaboratively by the Bureau, the Office of the Comptroller of the Currency, the Federal Reserve Board, the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Securities and Exchange Commission, 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. In our approach to diversity and inclusion at the Bureau, we have focused on integrating diversity and inclusion into the fabric of the Bureau’s organizational structure and functions. Among our accomplishments this year are the following:

- Increased collaboration between OHC and OMWI to incorporate diversity and inclusion competencies into our leadership and employee training, job descriptions, and performance objectives;
- Incorporated diversity and inclusion goals into division-level strategic plans and built-in accountability measures to meet those goals by reporting on progress on our meetings with the divisions;
- Enhanced required training for managers to help them better lead the diversity and inclusion efforts in their divisions, and for all non-supervisory employees to strengthen their awareness of diversity and inclusion in their work and interactions;
- Strengthened our effectiveness in attracting and retaining an increasingly diverse staff through collaborative efforts between OHC, OMWI, and OCR; and
- Initiated contact with entities we regulate to begin discussing the Joint Standards for assessing their diversity policies and practices.

One of the many ways we track our progress is through our annual employee survey (AES). The

¹ <https://www.federalregister.gov/articles/2015/06/10/2015-14126/joint-standards-for-assessing-the-diversity-policies-and-practices-of-entities-regulated-by-the>

2016 results reflect our continued overall upward trend in employee ratings on inclusion and on commitment to the Bureau's mission.

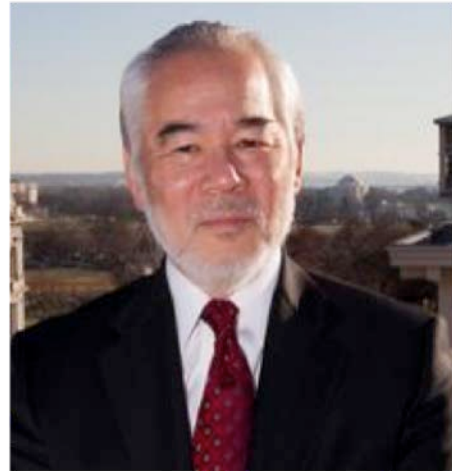
While we are pleased with the progress we have achieved, we are aware that our work to build a fully diverse and inclusive workplace is not done. Our employees span a wide spectrum of demographic groups, and as a result, establishing an inclusive workplace culture with shared norms and values is an ongoing and evolving effort for all of us. The dedication and commitment that our employees from all backgrounds have to our mission continues to be an important asset upon which we rely 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 OMWI

Over the past year, the Office of Minority and Women Inclusion (OMWI) has continued to focus on building a diversity and inclusion strategy that is integrated into the fabric of our organizational culture and the work that the Bureau does for all consumers. The approaches OMWI has used were designed to ensure sustainability of diversity and inclusion as core aspects of the Bureau's overall operations.

Attention to diversity and inclusion is important to all staff and has been proven to help increase the effectiveness of our teams, to drive innovative thinking, and to help ensure that Bureau programs and services have relevance for consumers². This report details the approaches that have been used to build sustainability of diversity and inclusion as well as the specific programs and initiatives that OMWI has developed, implemented and collaborated on, over the past year in our key areas of focus: workforce diversity and inclusion, supplier diversity, and diversity within our regulated entities.

Bureau-wide workforce diversity and inclusion initiatives have been central to our strategic

² *How Diversity Can Drive Innovation*, Sylvia Ann Hewlett, Melinda Marshall, Laura Sherbin, Harvard Business Review, December, 2013.

planning process. In addition to the OMWI diversity and inclusion strategic plan, the Bureau has instituted a Bureau-wide diversity and inclusion strategic plan. The diversity and inclusion strategy remains one of the areas of focus in the Bureau-wide Government Performance and Results Act report (GPRA). Each division has a diversity and inclusion goal, initiatives and outcomes in its divisional strategic plan. OMWI has begun to work with each division on setting and implementing its divisional diversity and inclusion goals and the framework that has been established for divisions to provide periodic reports to the Bureau's leadership team.

OMWI is pleased to continue to work with the diverse supplier industry to provide information on how the federal contracting process works, and on opportunities available to bid on contracts with the CFPB. Similarly OMWI is pleased to have spearheaded a roundtable discussion with members of the mortgage industry to better learn about current diversity and inclusion challenges that they face.

In the coming year, OMWI will continue to work closely with each division on developing and implementing their diversity and inclusion efforts; providing training and consultation to managers and staff to support their efforts; expanding our outreach to the vendor community and working with the CFPB Office of Procurement to ensure minority-owned and women-owned businesses are aware of, and considered for contracting opportunities with the Bureau; and developing and providing diversity best practices information to the entities we regulate.

While we are pleased with the overall progress on our diversity and inclusion initiatives, we acknowledge that there are additional areas that can be addressed to improve the overall diversity and inclusion culture of the Bureau, and we look forward to continuing to do so.

Sincerely,

A handwritten signature in blue ink, appearing to read "Stuart J. Ishimaru", is written over a light blue rectangular background.

Stuart Ishimaru

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1. Executive summary

At the Consumer Financial Protection Bureau (CFPB or Bureau), the focus on diversity and inclusion is an important aspect of the overall drive to achieve the Bureau's mission. The Bureau draws on its diversity and inclusion in developing innovative approaches to protecting the financial interests of all consumers. In so doing, the Bureau has taken deliberate steps to incorporate strategies for supporting diversity and inclusion into its functioning with a view toward ensuring the sustainability of the changes in this area.

The Bureau's diversity and inclusion strategic plan is built on five broad areas of focus: Workforce Diversity, Workplace Inclusion, Sustainability, Minority and Women Owned Businesses, and Diversity Practices of Regulated Entities. The definitions of workforce diversity and inclusion are constructed broadly to encompass all employees. The strategies are designed with particular emphasis on incorporating diversity and inclusion into the routine functioning of the Bureau, thereby ensuring its sustainability for years to come. The Bureau's diversity and inclusion initiatives are driven by best practices in the fields of diversity and inclusion, human capital management, legal compliance, and by data. The data sources used include, among others, the Annual Employee Survey (AES), particularly the Inclusion Quotient (IQ), and analyses of employee data on hiring, promotions, separations, performance management and training.

In 2016, under the leadership of OMWI, the CFPB continued to implement strategies from previous years while adding a number of new initiatives to further the work of building a diverse and inclusive workplace and meeting the mandates related to supplier diversity and for assessing the diversity practices of the entities regulated by the Bureau. The following are some of the key accomplishments and initiatives that the Bureau focused on in 2016:

- Created the Non-Discrimination and Inclusion Policy for Transgender Applicants and Employees.
- Created the Employee Resource Group Policy and launched two new Employee Resource

Groups (ERGs).

- Recognized by the Professional Diversity Network, the Partnership for Public Service and the disABLED magazine for having innovative diversity policies and practices.
- Implemented steps to have a diversity and inclusion goal in divisional strategic plans, and established a process for reporting on progress in this area.
- Continued efforts to foster an inclusive work environment for employees through initiatives and engagements such as: educational and interactive training programs; cultural events; development of a cross-Bureau employee diversity and inclusion council, the Diversity Inclusion Council of Employee (DICE); implementation of efforts to strengthen organizational cultural norms, done by a dedicated cross-Bureau working group, The Workforce of the Future Committee (WFF); and the solicitation of advice and counsel from a diversity and inclusion leadership group, the Executive Advisory Council (EAC) which champions strategies to incorporate diversity and inclusion throughout the Bureau.
- Analyzed employee data to understand the experiences of demographic groups in the Bureau and to ensure that the impact of policies and practices are equitable for all groups.
- Began implementation of efforts related to the joint standards for assessing diversity practices at the entities the Bureau regulates.

While the Bureau has made noteworthy progress in 2016, there is also a clear understanding that there is more work to be done, and the Bureau confidently faces new challenges with the innovation and dedication needed to address them.

2. Introduction

The CFPB is presenting this annual report in fulfillment of its statutory responsibility and its commitment to accountability, pursuant to Section 342(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). This report provides detailed information about the CFPB’s diversity and inclusion strategy and initiatives from January 1, 2016 through December 31, 2016, unless otherwise noted. The report presents a comprehensive view of diversity and inclusion at the Bureau. It includes work spearheaded by 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 the Bureau’s divisions. The initiatives undertaken served to integrate diversity and inclusion into the Bureau’s routine functioning thereby ensuring their sustainability and lasting impact.

The CFPB was created to provide a single point of accountability for enforcing federal consumer financial laws and protecting consumers in the financial marketplace.³ In order to serve the interests of all groups of consumers, it is critical that the CFPB understands how consumers of different backgrounds, cultures, perspectives, experiences and interests interact in the financial marketplace within the context of wide ranging backgrounds, cultures, perspectives, experiences and interests. Additionally, in keeping with its mandates, the Bureau is committed to promoting diversity and inclusion within its workplace, in the suppliers with whom it does business and in the financial entities that it regulates.

At the CFPB, “diversity” and “inclusion” are defined as follows:

- **Diversity:** the range of differences including backgrounds, identities (including but not

³ <https://www.consumerfinance.gov/about-us/the-bureau/>

limited to, race, ethnicity, age, sexual orientation, disability, gender, gender identity, religion, disability, and sex), perspectives, and working styles that employees and stakeholders bring to the CFPB to better serve consumers.⁴

- **Inclusion:** the process of fostering a collaborative, flexible, and fair environment in which all employees feel valued and empowered to share their views and ideas to inform the CFPB's work, and which allows us to leverage the broad talents of our diverse workforce.⁵

Diversity and Inclusion Vision Statement: The Bureau works to incorporate diversity and inclusion in all areas of its work and work environment. Its vision statement for diversity and inclusion conveys the significance of that connection to the Bureau's overall mission.

"We value diversity and inclusion and drive innovation by leveraging the talents and perspectives of the CFPB's diverse workforce and stakeholders to best protect the financial interests of all consumers."

The Bureau's diversity and inclusion approach is implemented under the broad goals of the Bureau's Diversity and Inclusion Strategic Plan for 2016 -2020⁶, which are covered in this report:

- Workforce Diversity
- Workplace Inclusion
- Sustainability
- Minority and Women Owned Businesses (covered under the heading of Supplier

⁴ https://s3.amazonaws.com/files.consumerfinance.gov/f/documents/201611_cfpb_diversity-and-inclusion-strategic-plan-2016-2020.pdf

⁵ https://s3.amazonaws.com/files.consumerfinance.gov/f/documents/201611_cfpb_diversity-and-inclusion-strategic-plan-2016-2020.pdf

⁶ https://s3.amazonaws.com/files.consumerfinance.gov/f/documents/201611_cfpb_diversity-and-inclusion-strategic-plan-2016-2020.pdf

Diversity)

- **Diversity Practices of Regulated Entities**

Ensuring that the diversity and inclusion efforts are woven into all areas of the Bureau's work and work environment is an important aspect of the Bureau's overall approach. As a result, the Bureau's focus on sustainability shapes the approaches used to embed the initiatives, outputs and outcomes into the fabric of the Bureau, for lasting impact.

This report is organized into the following four broad goals: 1) Workforce Diversity, 2) Workplace Inclusion, 3) Supplier Diversity (including Minority-owned and Women-owned businesses) and 4) Regulated Entities. Sustainability, the fifth goal, as a recurring and connective theme throughout all four.

3. Workforce diversity

3.1 Demographics of current workforce

The Bureau is committed to understanding and drawing upon the broad range of backgrounds, cultures, perspectives and experiences of its employees, to serve the interests of consumers and to make sure that consumers are treated fairly in the financial marketplace. Having a workforce that is diverse, is essential to carrying out the mission, and helps the Bureau to create innovative solutions that are relevant to all segments of consumers. Therefore the Bureau fosters diversity and inclusion in recruitment, hiring, career development, employee engagement and all other areas of the workplace culture and operations. As a result, workforce diversity is one of the five goals of the Bureau's Diversity and Inclusion Strategic Plan and is defined as: recruiting from a diverse group of potential applicants to develop a high-performing workforce drawn from all segments of American society⁷.

Following are demographics⁸ of a) the Bureau's total workforce, b) employees in permanent positions, and c) employees in Mission Critical Occupations.

⁷ www.consumerfinance.gov/data-research/research-reports/cfpb-diversity-and-inclusion-strategic-plan-2016-2020.

⁸ Data are reported in keeping with OMB standards which allow individuals to identify ethnicity as well as race separately. For example, "Two or More Races" could be read to indicate an ethnicity (i.e.: Hispanic) and a race. The methodology used for the Ethnicity and Race Indicator (ERI) varies in this report from the methodology used in the MD-715. In this report, individuals who selected two or more races (e.g., Asian and White), were counted as Two or More Races.

In 2016, the CFPB had a workforce of 1633 employees, consisting of 833 men and 800 women, an increase of 124 employees from 2015, after accounting for turnover. There was a slight increase of 1.81% in the percentage of minority ethnic and race indicator (ERI)⁹ employees from 35.85% in 2015 to 37.66% in 2016, with a corresponding slight decrease in white employees. There was a slight increase in the percentage of female employees, up 0.94% from 48.05% in 2015 to 48.99% in 2016, with a corresponding slight decrease in male employees. Compared to the U.S. Census Civilian National Labor Force (CLF), overall CFPB demographics have not changed significantly since fiscal year (FY) 2015.¹⁰ White men, followed by White women, comprise the largest racial groups in CFPB, followed by Black women and Black men, respectively.

TABLE 1: CALENDAR YEAR 2016 TOTAL WORKFORCE¹¹ BY GENDER, RACE AND ETHNICITY¹²

	TOTAL	HISPANIC ¹³	WHITE	BLACK	ASIAN	NH/OPI ¹⁴	AI/AN ¹⁵	TWO OR MORE ¹⁶
TOTAL	1633	96	1018	324	142	3	5	45
%	100%	5.87%	62.34%	19.84%	8.70%	0.18%	0.31%	2.76%

⁹ ERI: OPM uses Ethnic and Race Indicator (ERI) to include employees who are Hispanic, Black, Asian, Native Hawaiian/Other Pacific Islander (NH/OPI), American Indian/Alaska Native (AI/AN) and employees of Two or More races. <https://www.fedscope.opm.gov/rno/eri.asp>.

¹⁰ The CLF is derived from the 2006-2010 American Community Survey (ACS) Equal Employment Opportunity Tabulation (EEO Tabulation). The EEO Tabulation was originally released by the U.S. Census Bureau on November 29, 2012. It provides external benchmarks to assist federal agencies in monitoring employment practices and enforcing workforce civil rights laws. Federal agencies are required to use the EEO Tabulation in preparing their annual MD-715 EEO Program Status reports. See https://www1.eeoc.gov/federal/directives/tech_assistance_06-10_EEO_tabulation.cfm.

¹¹ Total workforce encompasses employees on permanent and temporary appointments including interns.

¹² In the data tables in this report, total percentages across rows may not always equal 100% due to rounding.

¹³ Hispanics who also identify by a race are only counted as Hispanic here.

¹⁴ NI/OPI: Native Hawaiian/Other Pacific Islander.

¹⁵ AI/AN: American Indian/Alaska Native.

¹⁶ In all of the tables with demographic data, the methodology used for the ethnicity and race indicator (ERI) varies in this report from the methodology used in the MD-715. For individuals who selected Two or More Races (e.g., Asian and White), they are counted as two or more races for purposes of this report.

	TOTAL	HISPANIC ¹³	WHITE	BLACK	ASIAN	NH/OPI ¹⁴	AI/AN ¹⁵	TWO OR MORE ¹⁶
Community Labor Force (CLF) ¹⁷		9.96%	72.36%	12.02%	3.90%	0.14%	1.08%	0.54%
Male	833	51	569	119	71	1	3	19
%	51.01%	3.12%	34.84%	7.29%	4.35%	0.06%	0.18%	1.16%
Female	800	45	449	205	71	2	2	26
%	48.99%	2.75%	27.50%	12.55%	4.35%	0.12 %	0.12%	1.59%

TABLE 2: CALENDAR YEAR 2015 TOTAL WORKFORCE BY GENDER, RACE AND ETHNICITY¹⁸

	TOTAL	HISPANIC	WHITE	BLACK	ASIAN	NH/OPI	AI/AN	TWO OR MORE
TOTAL	1509	90	968	277	126	2	6	40
CLF	100%	9.96%	72.36%	12.02%	3.90%	0.14%	1.08%	0.54%
%	100%	5.97%	64.15%	18.36%	8.35%	0.13%	0.40%	2.65%
Male	784	48	543	104	66	0	4	19

¹⁷ The CLF is derived from the 2006-2010 American Community Survey (ACS) Equal Employment Opportunity Tabulation (EEO Tabulation). The EEO Tabulation was originally released by the U.S. Census Bureau on November 29, 2012. It provides external benchmarks to assist federal agencies in monitoring employment practices and enforcing workforce civil rights laws. Federal agencies are required to use the EEO Tabulation in preparing their annual MD-715 EEO Program Status reports. See https://www1.eeoc.gov/federal/directives/tech_assistance_06-10_EEO_tabulation.cfm.

¹⁸ Calendar year (CY) data encompasses pay period one that began on January 10, 2016 through pay period 26 that ended on January 7, 2017. Workforce numbers for CY 2015 included in this CY 2016 OMWI Annual Report may differ slightly from corresponding data reported in the CY 2015 Status Report. This is due to retroactive processing of personnel actions, late processing of personnel actions, or other changes made in applicable data systems since the data was finalized for the CY 2015 OMWI Annual Report.

	TOTAL	HISPANIC	WHITE	BLACK	ASIAN	NH/OPI	AI/AN	TWO OR MORE
%	51.95%	3.18%	35.98%	6.89%	4.37%	0.00%	0.27%	1.26%
Female	725	42	425	173	60	2	2	21
%	48.05%	2.78%	28.16%	11.46%	3.98%	0.13%	0.13%	1.39%

3.2 Demographics of mission critical occupations

The CFPB has four Mission Critical Occupations (Miscellaneous Administration and Program Series, Economists, Examiners and General Attorneys) that comprise the largest occupational categories (0301, 0110, 0570, and 0905, respectively). As a result, the Bureau is committed to ensuring that these key positions particularly reflect the diverse makeup of the American marketplace.

In 2016, among the permanent employees, 308 were employed in the Miscellaneous Administration and Program Series, of which 44.81% were minorities and 55.19% were white; 44.16% were men and 55.84% were women. Of the 34 Economists employed by the Bureau in CY 2016, 76.47% were white and 23.53% were minority; 64.71% were men and 35.29% were women. Of the 429 Examiners at the Bureau in CY 2016, 59.21% were white and 40.79% were minority; 284 (66.20%) were men and 145 (33.80%) were women. Of the 299 General Attorneys employed by the Bureau in CY 2016, 75.92% were white and 24.08% were minority; 45.48% were men and 54.52% were women.

TABLE 3: CALENDAR YEAR 2016 MISSION CRITICAL OCCUPATIONS BY ERI AND GENDER (PERMANENT WORKFORCE)

ERI/GENDER	MISC. ADMIN. & PROGRAM (0301)	ECONOMISTS (0110)	EXAMINERS (0570)	GENERAL ATTORNEYS (0905)
TOTALS	308	34	429	299
%	100.00%	100.00%	100.00%	100.00%
Hispanic	20	1	28	14
%	6.49%	2.94%	6.53%	4.68%

ERI/GENDER	MISC. ADMIN. & PROGRAM (0301)	ECONOMISTS (0110)	EXAMINERS (0570)	GENERAL ATTORNEYS (0905)
CLF	8.60%	5.10%	3.80%	4.30%
White	170	26	254	227
%	55.19%	76.47%	59.21%	75.92%
CLF	70.90%	81.00%	72.40%	84.40%
Black	80	2	97	23
%	25.97%	5.88%	22.61%	7.69%
CLF	11.90%	5.50%	12.30%	4.70%
Asian	27	5	33	25
%	8.77%	14.71%	7.69%	8.36%
CLF	6.20%	7.60%	7.70%	3.60%
NH/OPI	1	0	2	0
%	0.32%	0.00%	0.47%	0.00%
CLF	0.10%	0.10%	0.00%	0.00%
AI/AN	1	0	4	0
%	0.32%	0.00%	0.93%	0.00%
CLF	0.70%	0.60%	0.40%	0.50%
Two or More	9	0	11	10
%	2.92%	0.00%	2.56%	3.34%
CLF	0.50%	0.20%	0.50%	0.40%
Male	136	22	284	136
%	44.16%	64.71%	66.20%	45.48%
CLF	36.70%	67.10%	54.70%	66.70%
Female	172	12	145	163
%	55.84%	35.29%	33.80%	54.52%
CLF	63.30%	32.90%	45.30%	33.30%

During 2016, the CFPB employed 299 permanent employees in the General Attorney (0905 series) occupational series, 136 (45.48%) were men and 163 (54.52%) were women. The percentage of women and men attorneys on permanent appointments remained essentially unchanged from 2015 (men were 45.71% and women were 54.29%). The percentage of minority attorneys on permanent appointments also remained essentially unchanged, from 23.93% in 2015 to 24.08% in 2016.

At the end of 2016, there were 34 employees on permanent appointments as Economists. Of these Economists, 64.71% were men and 35.29% are women. Of this population, 26 (76.47%) of the Economists were white and 8 (23.53%) were minorities.

TABLE 4: CALENDAR YEAR 2016 PAYBANDS FOR MISSION CRITICAL OCCUPATIONS BY GENDER/ERI ATTORNEYS (0905) (PERMANENT WORKFORCE)¹⁹

ERI/GENDER	ALL	GS-11-13 /CN-51-53	GS-14/ CN-60	GS-15/ CN-71	SENIOR LEVEL ²⁰
Totals	299	38	81	167	13
%	100.00%	12.71%	27.09%	55.85%	4.35%
Hispanic	14	5	1	7	1
%	4.68%	1.67%	0.33%	2.34%	0.33%
White	227	24	68	126	9
%	75.92%	8.03%	22.74%	42.14%	3.01%
Black	23	4	5	11	3
%	7.69%	1.34%	1.67%	3.68%	1.00%
Asian	25	5	4	16	0
%	8.36%	1.67%	1.34%	5.35%	0.00%
NH/OPI	0	0	0	0	0

¹⁹ Table 4 reflects the percentage of a specific ERI or Gender out of the entire permanent workforce of the particular mission critical occupation (MCO). The same is true for the Tables 5 and 6 which show MCO by pay band groupings.

²⁰ Senior level pay bands include the CN-81, CN-82, CN-90, 02 and 03.

ERI/GENDER	ALL	GS-11-13 /CN-51-53	GS-14/ CN-60	GS-15/ CN-71	SENIOR LEVEL²⁰
%	0.00%	0.00%	0.00%	0.00%	0.00%
AI/AN	0	0	0	0	0
%	0.00%	0.00%	0.00%	0.00%	0.00%
Two or More	10	0	3	7	0
%	3.34%	0.00%	1.00%	2.34%	0.00%
Male	136	19	40	71	6
%	45.48%	6.36%	13.38%	23.75%	2.01%
Female	163	19	41	96	7
%	54.52%	6.35%	13.71%	32.11%	2.34%

The permanent Bureau Examiner workforce was 429 employees at the end of 2016. The workforce was approximately two thirds men (66.20%) and one third women (33.80%). All minority employees who were Examiners were in the CN-51 to CN-53 pay band groupings. 59.21% of all Examiners were White and 40.79% were minorities. Of the minority Examiners, 22.61% were Black, 7.69% were Asians and 6.53% were Hispanics, the remaining 3.96% included Hawaiian Pacific, American Indian and employees of Two or More Races. The Examiner population is the most geographically dispersed population at the Bureau.

TABLE 5: CALENDAR YEAR 2016 PAYBANDS FOR MISSION CRITICAL OCCUPATIONS BY GENDER/ERI EXAMINERS (0570) (PERMANENT WORKFORCE)

ERI/ GENDER	TOTAL	GS-10 AND BELOW/ CN-43 AND BELOW	GS-11-13/ CN-51-53	GS-14/ CN-60	GS-15/ CN-71	SENIOR LEVEL²¹
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²¹ Senior level pay bands include the CN-81, CN-82, CN-90, 02 and 03.

ERI/ GENDER	TOTAL	GS-10 AND BELOW/ CN-43 AND BELOW	GS-11-13/ CN-51-53	GS-14/ CN-60	GS-15/ CN-71	SENIOR LEVEL²¹
Totals	429	23	285	93	24	4
%	100%	5.36%	66.43%	21.68%	5.59%	0.93%
Hispanic	28	0	22	4	2	0
%	6.53%	0.00%	5.13%	0.93%	0.47%	0.00%
White	254	10	157	68	16	3
%	59.21%	2.33%	36.60%	15.85%	3.73%	0.70%
Black	97	13	65	13	6	0
%	22.61%	3.03%	15.15%	3.03%	1.40%	0.00%
Asian	33	0	27	5	0	1
%	7.69%	0.00%	6.29%	1.17%	0.00%	0.23%
NH/OPI	2	0	2	0	0	0
%	0.47%	0.00%	0.47%	0.00%	0.00%	0.00%
AI/AN	4	0	3	1	0	0
%	0.93%	0.00%	0.70%	0.23%	0.00%	0.00%
Two or More	11	0	9	2	0	0
%	2.56%	0.00%	2.10%	0.47%	0.00%	0.00%
Male	284	17	184	60	20	3
%	66.20%	3.96%	42.89%	13.99%	4.66%	0.70%
Female	145	6	101	33	4	1
%	33.80%	1.40%	23.53%	7.69%	0.93%	0.23%

TABLE 6: CALENDAR YEAR PAYBANDS FOR MISSION CRITICAL OCCUPATIONS BY GENDER/ERI MISCELLANEOUS ADMINISTRATION & PROGRAM SERIES (0301) (PERMANENT WORKFORCE)

ERI/GENDER	TOTAL	GS-10 AND BELOW/CN-43 AND BELOW	GS-11-13/ CN-51-53	GS-14/ CN-60	GS-15/ CN-71	SENIOR LEVEL ²²
Totals	308	13	166	70	27	32
%	100.00	4.22	53.90	22.73	8.77	10.39
Hispanic	20	1	11	4	2	2
%	6.49	0.32	3.56	1.29	0.65	0.65
White	170	6	82	44	18	20
%	55.19	1.95	26.62	14.29	5.84	6.49
Black	80	6	54	10	7	3
%	25.97	1.95	17.53	3.25	2.27	0.97
Asian	27	0	14	6	0	7
%	8.77	0.00	4.55	1.95	0.00	2.27
NH/OPI	1	0	0	1	0	0
%	0.32	0.00	0.00	0.32	0.00	0.00
AI/AN	1	0.00	1	0	0	0
%	0.32	0.00	0.32	0.00	0.00	0.00
Two or More	9	0	4	5	0	0
%	2.92	0.00	1.30	1.62	0.00	0.00
Male	136	2	73	28	15	18
%	44.16	0.65	23.70	9.09	4.87	5.84
Female	172	11	93	42	12	14

²² Senior level pay bands include the CN-81, CN-82, CN-90, 02 and 03.

ERI/GENDER	TOTAL	GS-10 AND BELOW/CN-43 AND BELOW	GS-11-13/ CN-51-53	GS-14/ CN-60	GS-15/ CN-71	SENIOR LEVEL ²²
%	55.84	3.57	30.19	13.64	3.90	4.55

3.3 New hires: Permanent

In CY 2016, the Bureau hired 197 new permanent employees, 84 men (42.64%) and 113 women (57.36%). This overall number represented an increase from CY 2015 when 165 new permanent employees were hired, 75 men (45.45%) and 90 women (54.55%). Of the 113 women hired in 2016, 48 (24.37%) were White, 41 (20.81%) were Black, 12 (6.09%) were Asian and 7 (3.55%) were Hispanic. When compared to 2015, there was an increase in the percentage of hires who were Black (7.02%), Asian (2.88%), and a slight decrease of Hispanics (-0.52%). Of the 84 men (43.48%) who were new hires in 2016, 52 (26.40%) were White, 17 (8.63%) were Black, 8 (4.06%) were Asian and 5 (2.55%) were Hispanic. There was a slight decrease in the overall percentage of new hires who were men, down 2.81% from 2015, with White and Hispanic men accounting for most of the decline by 4.51% and 3.30%, respectively.

TABLE 7: CALENDAR YEAR 2016 NEW PERMANENT HIRES BY GENDER, RACE AND ETHNICITY

2016	TOTAL	HISPANIC	WHITE	BLACK	ASIAN	NH/OPI	AI/AN	TWO OR MORE RACES
Total #	197	12	100	58	20	1	0	6
%	100	6.10	50.76	29.44	10.15	0.51	0.00	3.05
Male	84	5	52	17	8	1	0	1
%	42.64	2.55	26.40	8.63	4.06	0.51	0.00	0.51
Female	113	7	48	41	12	0	0	5

2016	TOTAL	HISPANIC	WHITE	BLACK	ASIAN	NH/OPI	AI/AN	TWO OR MORE RACES
%	57.36	3.55	24.37	20.81	6.09	0.00	0.00	2.54

TABLE 8: CALENDAR YEAR 2015 NEW PERMANENT HIRES BY GENDER, RACE AND ETHNICITY

2015	TOTAL	HISPANIC	WHITE	BLACK	ASIAN	NH/OPI	AI/AN	TWO OR MORE RACES
Total #	165	11	101	37	12	0	0	4
%	100	6.66	61.21	22.42	7.27	0.00	0.00	2.42
Male	75	8	51	11	4	0	0	1
%	45.45	5.85	30.91	6.67	2.42	0.00	0.00	0.61
Female	90	3	50	26	8	0	0	3
%	54.55	1.82	30.30	15.76	4.85	0.00	0.00	1.82

Temporary hires, which included interns in the Pathways program, as well as legal, technology and management fellows, are an important part of the Bureau’s diversity hiring strategy because they provide a ready pool of potential applicants for vacancies in the Bureau. In CY 2016, there were 115 new temporary hires, consisting of 53 (46.09%) women and 62 (53.91%) men. Of the 53 women, 33 (28.70%) were White, 7 (6.09%) were Black, 8 (6.96%) were Asian, 1 (0.87%) was Hispanic, and 4 (3.48%) were Two or More Races. Of the 62 men hired, 43 (39.13%) were White, 6 (5.22%) were Black, 6 (5.22%) were Asian and 4 (3.48%) were Hispanic and 1 (0.83%) was Two or More Races.

TABLE 9: CY 2016 NEW TEMPORARY HIRES BY GENDER, RACE AND ETHNICITY

CY2016	TOTAL	HISPANIC	WHITE	BLACK	ASIAN	NH/OPI	AI/AN	TWO OR MORE RACES
Total #	115	5	78	13	14	0	0	5
%	100	4.35	67.83	11.30	12.17	0.00	0.00%	4.35
Male	62	4	45	6	6	0	0	1
%	53.91	3.48	39.13	5.22	5.22	0.00	0.00	0.83
Female	53	1	33	7	8	0	0	4
%	46.09	0.87	28.70	6.09	6.96	0.00	0.00	3.48

3.4 Separations (Permanent workforce)

The number of permanent employees who separated from the Bureau over the past three years has remained relatively consistent. During 2016, 102 employees on permanent appointments separated from the Bureau compared with 101 employees in 2015 and 98 employees in 2014. Of the permanent employees separated in 2016, there was a slightly lower percentage of women than men, 48.04% compared with 51.96%. There was a much lower percentage of minorities separated than whites, 38.24% for minorities and 61.76% whites.

TABLE 10: CALENDAR YEAR 2016 SEPARATIONS OF PERMANENT EMPLOYEES BY GENDER, RACE AND ETHNICITY

2016	TOTAL	HISPANIC	WHITE	BLACK	ASIAN	NH/OPI	AI/AN	TWO OR MORE RACES
Total #	102	9	63	17	9	0	1	3
%	100%	8.72%	61.76%	16.67%	8.82%	0.00%	0.98%	2.94%

2016	TOTAL	HISPANIC	WHITE	BLACK	ASIAN	NH/OPI	AI/AN	TWO OR MORE RACES
Male	53	6	36	3	5	0	1	2
%	51.96%	5.88%	35.29%	2.94%	4.90%	0.00%	0.98%	1.96%
Female	49	3	27	14	4	0	0	1
%	48.04%	2.94%	26.47%	13.73%	3.92%	0.00%	0.00%	0.98%

3.5 Outreach and recruitment

In 2016, the CFPB continued its commitment to recruit and hire highly qualified individuals from diverse backgrounds to fill positions at all Bureau locations across the country. OMWI collaborated closely with the OHC’s Talent Acquisition team and the OCR to advance the Bureau’s recruitment and hiring strategies. Additionally, the Bureau continued to leverage the diverse networks available through its own employees and through professional associations, to broaden the recruitment efforts in order to reach larger pool of potential applicants. To achieve the goal of hiring as diverse a pool of employees as possible, two key strategies were implemented: 1) recruiting widely to make sure that the pool of applicants was as diverse as possible; and 2) continuously improving the hiring processes to ensure an equitable process for all applicants.

In 2016, the OHC’s Talent Acquisition team and OMWI undertook outreach efforts and continued to build relationships with membership organizations and associations serving diverse professionals, as part of the overall recruitment strategy to build a pool of diverse talent interested in working at the Bureau. Among the approaches used to reach a wide pool of highly-qualified, diverse applicants for the CFPB positions were the following:

- Engaged the Professional Diversity Network (PDN) and other organizations to promote the CFPB and published all available job opportunities to diverse audiences, including minorities, women, veterans, persons with disabilities and LGBT individuals.
- Participated at professional conferences and university events, with a special focus on

building relationships and marketing to affinity organizations serving underrepresented groups, including the National Black MBA Association, the National Society of Hispanic MBAs, and the Association of Latin Professionals for America, Ascend Pan Asian Leaders, and the National Association of Black Accountants²³.

- Enlisted senior leadership and Bureau champions to promote the Bureau's employer identity at outreach events in order to attract candidates to the CFPB as a best place to serve.
- Enhanced the program that engages existing employees as ambassadors of the Bureau and provided them with the tools, messages, and resources to reach out to their own professional networks.
- Leveraged and promoted flagship professional development programs, such as the Bureau's Technology and Innovation Fellows Program, the Director's Financial Analyst Program, and the Louis Brandeis Honors Attorney Program, to find entry-level talent, and to promote the Bureau as an employer of choice.
- Continued to utilize intern and professional development programs to build a robust pipeline of talent to meet current and emerging workforce needs, including through the Federal Pathways Program.
- Continued to develop and deploy a digital strategy, which included posting on social media sites to allow for ongoing connections with a wide range of audiences, ensuring engagement was timed with available opportunities.
- Posted job opportunities on the Bureau's public website and utilized an internal network of staff to share information about employment opportunities²⁴.

The following are some of the internal hiring processes the Bureau has implemented in keeping with federal hiring goals and standards to ensure equitable access for everyone:

²³ A comprehensive list of organizations to which OHC and OMWI conducted outreach is listed in Appendix A.

²⁴ <http://www.consumerfinance.gov/about-us/careers/>

1. OHC institutionalized a new annual hiring planning process that supported divisions in using more systematic approaches, including assessment strategies. For some divisions, this included structured interviews and the use of a new Subject Matter Expert (SME) review of minimum qualifications process. These approaches enabled hiring managers to make objective, data-driven employee selection decisions which helped to ensure an equitable process for all candidates including those from underrepresented groups.
2. Training was provided by the OHC and the OCR to staff involved in the hiring process to help increase awareness and competence for conducting unbiased selection and hiring processes.
3. The OHC administered a New Employee survey and Hiring Manager survey to identify processes that were working well and those that could be improved. Using survey responses OHC made hiring process improvements, such as creating a seamless onboarding experience.

3.6 Promotions

Employees at the Bureau can receive a promotion²⁵ through the competitive process (e.g., apply for a promotion and get selected) or through the non-competitive process (e.g., on a career ladder and receive a promotion to the next pay band).

There were 405 promotions in the total workforce in CY 2016. Of the employees promoted, 47.41% were men and 52.59% were women, compared to the total Bureau workforce of 51.01% men and 48.99% women. While these percentages are relatively aligned, the percentage of women who received promotions was higher than their representation in the Bureau's workforce. Of the promotions, 59.51% were White and 40.49% were of a minority group, compared to the Bureau's total workforce of 62.34% white employees and 37.66% minority

Employees. Similar to the gender comparison, the percentage of minorities who were promoted

²⁵ For purposes of this report and related tables, a promotion is defined as a change to a higher pay band (e.g., CN-51 to CN-52).

was slightly higher than their representation in the Bureau's workforce.

TABLE 11: CALENDAR YEAR 2016 PROMOTIONS RECEIVED BY ETHNICITY AND RACE (TOTAL WORKFORCE)

2016	TOTAL	HISPANIC	WHITE	BLACK	ASIAN	NH/OPI	AI/AN	TWO OR MORE RACES
Total # Received	405	27	242	80	36	0	2	19
% Received	100%	6.66%	59.51%	19.75%	8.89%	0.00%	0.49%	4.69%

TABLE 12: CALENDAR YEAR 2016 PROMOTIONS RECEIVED BY ETHNICITY, RACE AND GENDER (TOTAL WORKFORCE)

2016	TOTAL	HISPANIC	WHITE	BLACK	ASIAN	NH/OPI	AI/AN	TWO OR MORE RACES
Men Promoted	192	15	130	18	20	0	2	7
% Men Promoted	47.41%	3.70%	32.10%	4.44%	4.94%	0.00%	0.49%	1.73
Women Promoted	213	12	111	62	16	0	0	12
% Women Promoted	52.59	2.96	27.41	15.31	3.95	0.00	0.00	2.96

4. Workforce inclusion

The CFPB's diversity and inclusion strategy includes specific emphasis on creating an inclusive work environment for all employees. This focus is based on evidence that the benefits of having a diverse workforce are only fully realized when the work environment is inclusive²⁶. These benefits include having greater productivity and innovation and arriving at solutions that have greater relevance for consumers. In addition, having a workplace that employees find inclusive and hospitable supports employee engagement which can contribute to longer term retention. With that in mind, the CFPB had the following inclusion-focused initiatives in place in 2016:

- Divisions included diversity and inclusion objectives in their strategic plans.
- The Workforce of the Future, a Bureau-wide initiative designed to establish a common culture and workforce experience, had diversity and inclusion as a foundational norm to ensure continued Bureau success.
- Diversity and inclusion training for managers and non-supervisory employees provided by OMWI which emphasized increasing awareness, developing skills for interacting effectively in an inclusive work environment, and working to mitigate bias in the performance management process.
- The competency model, developed by the OHC in collaboration with OMWI, included a core diversity and inclusion competency for managers, Modeling Inclusive Communications, as well as for non-supervisory employees, Building Inclusive

²⁶ *How Diversity Can Drive Innovation*, Sylvia Ann Hewlett, Melinda Marshall, Laura Sherbin, Harvard Business Review, December, 2013.

Relationships.

The Bureau used the Annual Employee Survey (AES) which is administered by OPM (titled The Federal Employee Viewpoint Survey) to track progress on the inclusion efforts. The AES assessed a broad range of employee perspectives and experiences, among them perspectives and experiences on the rate of inclusion in the workplace.²⁷ In 2016, a total of 1372 (87.6%) of all employees completed the survey, compared to 45.8% government-wide.²⁸ Results for 2016 showed that overall the Bureau continued on its positive trend when compared to government benchmarks, with modest improvements over AES 2015 and a sustained rebound from 2014 results. The most notable challenges reported continued to be in the areas of performance-based recognition and rewards. The results also showed differences by demographic population comparisons, including, more favorable responses from men than women on 31 items (up from 14 in 2015) and more favorable responses by White than Black employees on 28 items (up from 11 in 2015).

The Annual Employee Survey measures inclusion through the use of the Inclusion Quotient which is a subset of 20 survey items that focuses on employees' perception of, and experience in the workplace. The Inclusion Quotient consists of five aspects of inclusion: Fair, Open, Cooperative, Supportive, and Empowering. These five areas are defined as follows²⁹:

- **Fair:** perception of fairness in performance, evaluation, rules and procedures.
- **Open:** extent to which diversity and inclusion are promoted by the agency and/or managers.
- **Cooperative:** extent to which managers promote communication and support collaboration.

²⁷ For more information on the CFPB 2016 AES results, see <http://www.consumerfinance.gov/data-research/research-reports/2016-cfpb-annual-employee-survey-results>.

²⁸ CFPB named our survey the AES; it is called Federal Employee Viewpoint Survey by OPM. https://www.fedview.opm.gov/2016FILES/2016_FEVS_Gwide_Final_Report.PDF

²⁹ Inclusion Quotient Results, pgs. 22 – 23, CFPB 2016 AES results, see <http://www.consumerfinance.gov/data-research/research-reports/2016-cfpb-annual-employee-survey-results>.

- **Supportive:** management and leadership style of managers.
- **Empowering:** employees' participation in decision-making.

In all three years (2016, 2015 and 2014) that the CFPB included all 20 questions on the Inclusion Quotient, results have exceeded the government-wide results on all of the five indices. In 2016, the Bureau's overall score on the Inclusion Quotient was close to ten percentage points (9.5%) above the overall government-wide results.

In 2016, as in 2015, the Bureau's highest score for an individual index was on the "Supportive" index, 84.3%, just slightly down from the 85.5% in 2015. Also as in past years, the 2016 "Fair" index continued to be an area of opportunity for the Bureau, showing a steady, but small (almost two percent) increase each year over the previous year from 2014 to 2016. This trend on the CFPB "Fair" index result was similar to the government-wide scores on that index, both in being the lowest of all the indices, and in the slight improvement seen in 2016. At a score of 68.8%, the Bureau's "Cooperative" index showed the largest increase in 2016, up 5.5% from 2015 when it was 63.3%. The "Cooperative" Index also had the largest increase (14.8%) over government-wide results. In summary, the Bureau's continued to outperform the government-wide averages on all indices of the Inclusion Quotient.

Table 13 below, shows the results for the CFPB Inclusion Quotient 2016 compared to 2015 and to the government-wide results.

TABLE 13: THE CFPB INCLUSION QUOTIENT³⁰

INCLUSION QUOTIENT INDICES	CFPB 2016	GOV'T WIDE 2016	CFPB 2015	GOV'T WIDE 2015
Inclusion Quotient	67.5%	58%	65.8%	57%
Fair	47.9%	45%	46.0%	43%

³⁰ Inclusion Quotient Results, pgs. 22 – 23, CFPB 2016 AES results, see <http://www.consumerfinance.gov/data-research/research-reports/2016-cfpb-annual-employee-survey-results>.

INCLUSION QUOTIENT INDICES	CFPB 2016	GOV'T WIDE 2016	CFPB 2015	GOV'T WIDE 2015
Open	69.7%	57%	69.9%	56%
Cooperative	68.8%	54%	63.3%	52%
Supportive	84.3%	75%	85.4%	75%
Empowering	66.6%	58%	64.6%	57%

The following are some of the specific initiatives that were newly created, or continued, in 2016 in support of the diversity and inclusion priorities:

- The Bureau launched a five-year diversity and inclusion strategic plan that outlined specific goals and strategies to increase diversity and support inclusion at the Bureau.
- OMWI facilitated the Executive Advisory Council (EAC), a cross-divisional group of senior leaders working with OMWI to strengthen and integrate diversity and inclusion into the Bureau's functioning by providing strategic guidance, advocacy and support for diversity and inclusion in the Bureau.
- OMWI worked with divisions to develop and implement diversity and inclusion objectives in their divisional strategic plans aimed at increasing diversity among their staff and ensuring that the work environment was inclusive for all employees.
- OMWI continued to provide mandatory training on diversity and inclusion to managers, and the OCR continued to provide mandatory training on Equal Employment Opportunity (EEO) compliance, provided by the U.S. Equal Employment Opportunity Commission (EEOC) Training Institute. The two sets of training helped supervisors and managers to strengthen their skills in leading and managing a diverse and inclusive workforce, and in attending to equity and fairness issues.
- OMWI continued to provide mandatory training for all non-supervisory employees to increase their awareness and understanding of the importance of diversity and inclusion and the ways in which it enhances the overall effectiveness of the Bureau.
- OMWI, OHC and OCR collaborated to enhance their supervisory and employee training to ensure that compliance, diversity and inclusion concepts were addressed. Training

included the supervisory development seminars, leadership effectiveness seminars, and structured interview training.

- OMWI presented a seminar to managers on identifying and utilizing effective strategies for mitigating unconscious bias and ensuring compliance with civil rights mandates in performance evaluations, in collaboration with the OCR.
- OMWI and OHC established and maintained relationships with, and outreach to, professional organizations that represent Veterans, Disabled Veterans, Hispanics and other minority constituencies. This outreach included attending career fairs and professional association meetings throughout the year to meet and provide information on the CFPB, and on employment opportunities to these groups. Bureau vacancies were also posted on bulletin boards geared to those groups of professionals.
- OMWI established the Diversity and Inclusion Council of Employees (DICE) with members from all geographic areas of the Bureau. DICE worked with OMWI to ensure that employees' perspectives were taken into consideration in all aspects of OMWI's work. DICE provided a feedback mechanism for OMWI and the Bureau's Director. DICE members provided thought leadership and work on diversity and inclusion initiatives at the Bureau.
- The Bureau established a new Employee Resource Group (ERG) Policy to serve as a guide to employees who want to form interest-based groups to assist the Bureau in understanding and considering broad perspectives in providing service to the diverse spectrum of consumers. In 2016, OMWI approved the charter of two ERGs formed by employees. The ERGs served as a vehicle for networking, recruiting and retaining a diverse workforce.
- OMWI partnered with OHC and used the AES results, including perceptions across demographic groups and the Inclusion Quotient, to analyze employee perceptions and take actions to help all employees feel included in the Bureau.
- The Bureau continued to organize and host a series of cultural events in recognition of national Heritage Months as part of ongoing efforts to increase awareness of employees' cultural backgrounds and to foster inclusion across the Bureau. A listing of events hosted is included in Appendix B.

The following three Bureau-wide groups are part of the ongoing overall approach used to ensure the sustainability of the Bureau's diversity and inclusion strategy. All three groups work to embed diversity and inclusion in the organizational fabric of the Bureau:

- The Diversity and Inclusion Executive Advisory Council (EAC)
- The Diversity and Inclusion Council of Employees (DICE)
- The Workforce of the Future Committee (WFF)

The Diversity and Inclusion Executive Advisory Committee (EAC)

The Diversity and Inclusion Executive Advisory Committee (EAC) is a cross-divisional advisory group of senior leaders, including Associate and Deputy Associate Directors and Assistant and Deputy Assistant Directors. The EAC works under the leadership of the OMWI Director to help strengthen and integrate the Bureau's diversity and inclusion strategic plan into the CFPB's functioning and mission-related work. EAC members have a deep commitment to diversity and inclusion and prioritize diversity and inclusion in their work. EAC members serve a two-year term and function in the following broad roles:

- **Advisory:** OMWI brings matters to the EAC members for their input based on their knowledge of the Bureau and leadership roles in the organization. In some specific situations, the EAC may be asked to review and recommend a position, policy or initiative presented by OMWI.
- **Informed Champions/Advocates:** OMWI presents information to the EAC to update the members on new or ongoing projects and plans; to seek the EAC's assistance in socializing new initiatives throughout the Bureau; or to help socialize a Bureau-endorsed position on a matter.

The EAC provides advice and recommendations on the Bureau's diversity and inclusion strategy. Its objectives are focused on policies and processes that support the efforts to:

- Recruit and retain a diverse workforce reflecting the best talent;
- Foster inclusion throughout the Bureau; and
- Support opportunities for professional development.

In the two-year term that ended in 2016, the EAC weighed in on the following matters that helped ensure the sustainability of the Bureau's diversity and inclusion initiatives by providing input on existing policies and procedures including:

- Provided input on mandatory training for managers to support them in managing diversity and inclusion in their units.
- Provided input and perspective to OMWI's recommendations to the OHC on incorporating diversity and inclusion in the competency models that serve as the cornerstone for hiring and promotion decisions.
- Provided input to OMWI on policy proposals for the development of an employee diversity and inclusion council of employees, the DICE, a Mentoring Bank program and a policy for establishing ERGs.
- Provided input on the Bureau's Transgender Policy developed by the Office of Civil Rights.
- Reviewed recruitment and hiring data and made recommendations to ensure attention to diversity at all stages of the recruitment and hiring process.
- Participated in diversity-related performance evaluation training and made that training available to managers in their divisions.
- Studied the Inclusion Quotient results in the Annual Employee Survey and recommended that it be used as a benchmark by divisions to track outcomes on their diversity goals in their strategic plans.
- Communicated the Bureau's diversity and inclusion strategy and initiatives throughout the organization, thereby helping to make them a focus in the Bureau's functioning.

The Diversity and Inclusion Council of Employees (DICE)

In February 2016, the CFPB officially launched DICE. DICE is a volunteer body of employees that provides employee perspectives on the Bureau's diversity and inclusion efforts, works with OMWI on diversity and inclusion initiatives and serves as a peer leadership opportunity for Bureau employees.

DICE members are Bureau employees who were selected based on demographics, pay band

levels, regions, positions and union/non-union status. A leadership core consisting of two co-chairs, a vice chair, and a recording secretary managed DICE's overall operations. DICE formed internal working groups that focused on key issues such as recruitment, retention, promotions and employee engagement. Meetings of the full DICE membership and an OMWI representative were held monthly. The working groups and leadership core met regularly in the weeks between the full body meetings.

In 2016, its first year of operation, DICE had 17 members serving a two-year term. Its members had the opportunity to think deeply about diversity and inclusion at the Bureau, hone their leadership skills, and develop key relationships among members and with Bureau senior leadership. Members attended training on both unconscious bias and team-based communications to prepare them to build their skills for promoting diversity and inclusion at the Bureau. DICE is an important source of feedback for OMWI on employees' experiences in the Bureau and has provided a strong sense of engagement for employees serving as members.

In 2016, the DICE undertook the following:

- Developed recommendations to OMWI related to recruitment, retention and promotions.
- Presented at the annual CFPB "All-Hands" meeting and to their divisions.
- Shared their perspectives with the Director on ways to improve and sustain diversity and inclusion at the Bureau.
- Published articles in internal newsletters on the importance of diversity and inclusion.
- Served as diversity and inclusion advocates by representing the Bureau at diversity and recruitment conferences in several locations across the United States.
- Provided input to OHC regarding its recruitment materials helping to make them more relevant to all audiences.
- Compiled a list of speakers to be considered for the Bureau's Heritage Month events.
- Collaborated with numerous stakeholders across the Bureau to enhance inclusive communication to employees by recommending a public loan forgiveness awareness campaign.

- Ensured that the Bureau used inclusive language for parental leave policies that included LGBTQ parents.
- DICE members who are also members of the National Treasury Employees Union provided input to NTEU on items in the Collective Bargaining Agreement and shared their perspectives and recommendations related to diversity and inclusion with the union.

Workforce of the Future Committee (WFF)

In November 2014, the CFPB launched WFF, an initiative designed to establish a common culture and workforce experience where everyone feels included, valued, and empowered to do their best work for sustainable, long-term impact. One of the first major WFF activities completed was the development of four norms that describe the common behaviors that Bureau employees aspire to practice more consistently and embed into the culture of the Bureau. The four norms are:

- Value diversity and inclusion
- Treat each other as partners
- Be more disciplined in how we make decisions and set priorities
- Hold ourselves and each other accountable for the norms

Following the ratification of these norms, senior management was responsible for their implementation, after which the responsibility fell to the management team, and then supervisors. To measure awareness and practice of the norms, the Bureau conducted surveys periodically to determine progress in implementing the norms. The management team was surveyed in January 2016 on senior leadership's progress. In October 2016, survey administration was expanded to all supervisors and management team members to assess awareness and practice of the norms for all levels of management.

The key findings on the diversity and inclusion norms from the October 2016 survey were:

- Senior leadership made some progress in creating a workforce experience where everyone felt valued, included and empowered.
- The management team had roughly the same amount of norms' awareness as they did in

January (100% of respondents in both surveys were aware of the four norms). The management team's understanding of expectations for practicing and leading teams in practicing the norms increased since January.

- Baseline data revealed the majority of supervisors had seen positive behavior changes in the division's management team over the past six months, with slightly more progress inside their own divisions.
- The majority of front line supervisors had awareness of the norms (88%).
- The majority of supervisors had some understanding of expectations in practicing the norms (83%) and leading their teams in practicing the norms (81%).

4.1 Training and leadership development

The Bureau provided diversity and inclusion training through OMWI to managers and non-supervisory employees as part of the Bureau's strategy to ensure that the workplace is diverse and inclusive.

Managing Diversity and Inclusion for Supervisors and Managers. Beginning in Calendar Year 2015, the Bureau's Director required managers and leaders to attend a workshop entitled, "Leading Diversity and Inclusion at the Bureau." The workshop was made available to managers in small groups to allow for interaction between participants. As of the end of 2016, 247 (84.6%) managers completed the training. The Bureau will continue to offer the workshop in 2017 for managers who have not yet completed it, and for new managers. Evaluations of the training indicated that participants had a very high level of satisfaction with the content they learned and with the workshop facilitators.

Diversity and Inclusion Awareness Training for Non-Supervisory Employees. Beginning in Fall, 2012, OMWI has been offering a workshop to employees to help increase awareness of diversity and inclusion and to develop a shared understanding of the ways in which the diversity and inclusion strategy contributes to the Bureau's mission. In 2015, the Director required that all non-supervisory employees attend that workshop. As of year-end 2016, 1,227 (75.1%) of the 1,633 employees have completed the training and the remaining employees are expected to complete in FY 2017. Evaluations of the training indicated that it 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 managers' awareness of various types of implicit biases and the ways in which bias can impact the performance evaluation process. This workshop was offered by request to managers in both the headquarters and regional offices.

Mandatory 2-Day Manager EEO Training for new managers. This mandatory training, led by the EEOC Training Institute, helped managers to strengthen their skills in addressing EEO and compliance matters in the workplace. A total of 65 supervisors and managers completed a mandatory 2-day EEO Training conducted by the EEOC Training Institute in FY 2016, for a total of over 250 to date. The training is ongoing to cover new managers.

Leadership Development. In Calendar year 2016, the OHC provided three broad categories of leadership development: the Leadership Excellence Seminars (LES) series, the Supervisory Development Seminars (SDS) programs, and individual coaching through Executive Coaching. The leadership development training programs are mandatory for all supervisory level individuals at the CFPB (supervisors, managers and senior leaders), and the Executive Coaching offering is optional (available to executives and managers of managers).

As of the end of FY2016, over 75% of all managers had completed the first five modules of the LES training, and close to 50% had completed the sixth module. This training program will continue in FY 2017, with the majority of the CFPB managers on track to complete all modules by the end of 2017.

The CFPB SDS is a 3-day, mandatory training for all new CFPB supervisors. It covers leading people, making the transition to supervisor, human resources technical knowledge, performance management and addressing performance problems and conduct issues. It also incorporates leadership competencies including diversity and inclusion. As of end the end of FY 2016, 265 (94.6%) of all managers had completed the training, of those 56 supervisors completed the training in FY 2016.

4.2 Performance management

Beginning in FY 2014, the CFPB has been operating under a negotiated collective bargaining agreement article for performance management with performance ratings consisting of two levels: “Accomplished Performer” and “Unacceptable”. Under this agreement, 100% of employees received a performance rating of “Accomplished Performer” over the past three years. The absence of any “Unacceptable” ratings reflects the Bureau’s policy of giving employees who are not performing at acceptable levels the opportunity to improve, prior to receiving their performance rating.

Under this agreement, employees whose performance was unacceptable or was approaching an unacceptable level would be notified of being at risk for a poor performance rating. If the employee improved to acceptable performance, then he or she would receive an “Accomplished Performer” rating at the end of the improvement period. For employees who did not improve during that period, appropriate actions could be taken, such as voluntary separation, reassignment, demotion, or involuntary termination of employment. In such cases, the employee would not be given a final performance rating but would be advised of the failure to improve performance and the consequences of that condition.

4.3 Reviews of CFPB programs

During Calendar Year 2016, a number of external assessments reported on the Bureau’s diversity and inclusion efforts. In the 2016 annual study of Best Places to Work conducted by the nonprofit Partnership for Public Service, the CFPB placed eighth out of 27 for mid-size agencies overall, and ranked fourth out of 26 peer agencies for support for diversity (a category measuring the extent to which employees believe that actions and policies of leadership and management promote and respect diversity).³¹

Also in 2016, the Professional Diversity Network (PDN) selected the CFPB for its “Diversity

³¹ Best Places to Work Agency Rankings, <http://bestplacestowork.org.BPTW/rankings/overall/mid>.

Excellence Award” and named the Bureau one of PDN’s “Top 10 Leading Employers in Diversity” from among 2200 employers across the nation. The criteria PDN used to make this award included:

- Percentage of resources and outreach budget assigned specifically to diversity;
- Number of job openings actively promoted to a diverse audience;
- Senior leadership statements, policies, and objectives specific to diversity recruitment;
- Quality of content in diversity recruitment outreach;
- A culture of inclusion within HR and throughout the organization as a whole; and
- A systematic, comprehensive and defined diversity recruitment strategy.

In addition, in January 2016, disABLED Magazine, a magazine targeted to the recruitment of persons with disabilities, named the CFPB the thirteenth Best Federal Agency Employer for persons with disabilities.

On June 21, 2016, the Government Accountability Office (GAO) released a report describing the CFPB’s ongoing work to foster a diverse and inclusive workforce and positive organizational culture.³² The report examined a wide variety of diversity and inclusion efforts underway at CFPB, noted progress that the Bureau has made, and identified recommendations on how to further enhance initiatives to promote the Agency’s broad diversity and inclusion goals.

After its two-year review, GAO reached a number of important conclusions. First, GAO recognized that CFPB has engaged in ongoing improvement efforts in response to challenges that the Bureau first identified in late 2013 and early 2014, including working “to strengthen personnel management practices and enhance its diversity and inclusion efforts.” GAO also noted that CFPB has expanded management training, developed new guidance on personnel practices, developed a new performance management system, and “made progress in adopting

³² See *Consumer Financial Protection Bureau: Additional Actions Needed to Support a Fair and Inclusive Workplace* (pub. June 20, 2016), available at <http://www.gao.gov/products/GAO-16-62>.

leading diversity management practices identified in prior GAO work, such as finalizing a diversity strategic plan, creating employee diversity groups, and expanding diversity training.” GAO further noted that the CFPB “launched a new initiative to strengthen its organizational culture that includes obtaining employee input on ideas for improving CFPB’s culture and addressing employee concerns. Finally, CFPB has strengthened its employee complaint processes by providing new training and guidance and creating feedback mechanisms to help evaluate progress in some areas.” GAO stated that “CFPB’s diversity, inclusion, fairness, and culture efforts represent a significant change management initiative.”³³

GAO’s report recognized that CFPB had undertaken many actions and initiatives on diversity, inclusion and fairness, citing “new policies, guidance, and training; efforts to enhance communication about personnel practices; several enhancements to diversity and inclusion efforts; and the new Workforce of the Future initiative to strengthen the organizational culture, among others.” (p.46)

The GAO report made only two limited recommendations, none of which was specific to OMWI operations:

- CFPB should more “comprehensively report on its implementation goals and progress across these efforts.”
- CFPB has developed feedback mechanisms to evaluate the effectiveness of its EEO complaint process, and should expand those same mechanisms for its non-Part 1614 employee grievance processes (i.e., the negotiated grievance process for bargaining unit members and the administrative grievance process administered by OHC for non-bargaining unit members).³⁴

Bureau leadership immediately began working to implement both of GAO’s recommendations.

³³ See *Consumer Financial Protection Bureau: Additional Actions Needed to Support a Fair and Inclusive Workplace* (pub. June 20, 2016), available at <http://www.gao.gov/products/GAO-16-62>.

³⁴ See *Consumer Financial Protection Bureau: Additional Actions Needed to Support a Fair and Inclusive Workplace* (pub. June 20, 2016), available at <http://www.gao.gov/products/GAO-16-62>.

In 2016, as part of its oversight responsibility, the EEOC made a technical assistance visit to the Bureau's equal employment opportunity program and gave the program an overall positive report³⁵.

³⁵ For more information on this report, see the Bureau's 2016 MD-715 report at:

<https://www.consumerfinance.gov/data-research/research-reports/equal-employment-opportunity-eeo-program-status-report-fiscal-year-fy-2015/> [to be updated when 2016 report is posted]

5. Supplier Diversity³⁶

Under [Section 342](#) of the Dodd-Frank Act, OMWI is required to “implement standards and procedures to ensure, to the maximum extent possible, the fair inclusion and utilization of...minority-owned and women-owned businesses in all business and activities of the agency at all levels....including in procurement.”³⁷ The CFPB recognizes the benefits of doing business with a broad spectrum of businesses across all demographic backgrounds and is committed to supporting the growth and success of businesses owned by women, minorities and marginalized groups. Below are specifics related to the Bureau’s procurement activities with minority-owned and women-owned businesses in FY 2016.

5.1 Minority-owned and women-owned businesses

In 2016, OMWI continued the process of implementing procedures to comply with the statutory requirement. OMWI will continue to work with the Office of Procurement to raise awareness among current vendors and within the Bureau about Dodd-Frank requirements.

Table 14 provides a breakdown of contract dollars obligated with women and minority-owned businesses for the past four years. In FY 2016, the Bureau entered into contract actions totaling \$189,880,158, down by \$54,284,026 from obligations of \$244,164,184 in FY 2015. Of those

³⁶ All Supplier Diversity data are reported for FY 2016, unlike Workforce and Workplace Inclusion data which are for CY 2016.

³⁷ <http://www.cftc.gov/LawRegulation/DoddFrankAct/index.htm>, Section 342, p.166.

obligations, 26.24% were with women- and minority-owned businesses. This percentage more than doubled the 11% awarded to those businesses in FY 2015 and resumed the upward trend of FY 2013 (19%) and FY2014 (21%). As part of that upward trend, awards to African American owned business showed a small, but continued increase, from 3% in FY 2014 and FY 2015 to 3.36% in FY 2016. Awards to American Indian/Alaskan Native businesses on the other hand, declined from 2% in FY 2013 to 0.03%in FY 2016.

TABLE 14: OVERALL MINORITY-OWNED AND WOMEN-OWNED BUSINESS (MWOB)³⁸ CONTRACTS BY OBLIGATION DOLLARS AND ACTION COUNT FOR FISCAL YEARS 2013 - 2016

TYPE OF VENDOR	FY 2016	FY 2015	FY 2014	FY 2013
Total Obligated Dollars	\$189,880,158	\$244,164,184	\$151,024,453	\$ 111,680,021
% of Total	100%	100%	100%	100%
MWOB	\$49,830,656	\$26,388,324	\$31,713,034	\$ 20,920,245
% of Total	26.24%	11.00%	21.00%	19.00%
Women Owned (WO)	\$16,606,582	\$12,762,670	\$15,376,560	\$ 9,830,322
% of Total	8.75%	5.00%	10.00%	9.00%
Minority Owned (MO)	\$33,224,074	\$21,424,081	\$21,646,173	\$ 16,972,273
% of Total	17.50%	9.00%	14.00%	15.00%
Asian American ³⁹	\$21,665,144	\$10,215,953	\$12,043,603	\$ 7,391,732

³⁸ *MWOB: Minority-Owned, Women-Owned or Both also include self-certified small disadvantaged businesses. Note: Contracting Awards represent the total obligation dollars and contract actions 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 action counted once regardless of falling into multiple categories.

³⁹ Includes Subcontinent Asian (Indian) and Pacific Islander

% of Total	11.41%	4.00%	8.00%	7.00%
African American	\$6,384,444	\$6,809,789	\$4,711,373	\$ 5,202,290
% of Total	3.36%	3.00%	3.00%	5.00%
Hispanic American	\$2,663,624	\$2,281,320	\$540,295	\$ 1,160,524
% of Total	1.40%	1.00%	0.40%	1.00%
American Indian/ Alaskan Native	\$56,623	\$518,500	\$664,808	\$ 896,301
% of Total	0.03	0.20%	0.40%	1.00%
Other Minority	\$2,454,237	\$955,580	\$2,570,951	\$ 1,968,999
% of Total	1.29%	0.40%	1.70%	2.00%

The total number of actions obligated in FY 2016 was 1364, down by 86 from 1450 in FY 2015, as indicated in Table 15. There was a decrease in the total percentage of actions with MWOB (down 6.7%) and with MOB (down 3.5%) even though the total dollar amount awarded to those businesses increased, as indicated in Table 16 below, which would indicate that the average dollar amount of actions with these business was higher in FY 2016 than in FY 2015. For women-owned businesses, the percent of actions increased slightly from 22% in FY 2015 to 22.65% in FY 2016. For African American-owned and American Indian/Alaskan Native-owned businesses, the trend noted above for the dollar amounts obligated were also reflected in the number of actions, namely from 91 actions with African American businesses in FY 2015 to 61 in FY 2016 and from four with American Indian/Native American businesses in FY 2015 to one in FY 2016.

TABLE 15: OVERALL MINORITY-OWNED AND WOMAN-OWNED BUSINESS CONTRACTS BY TRANSACTION COUNT FOR FISCAL YEARS 2013 – 2016

TYPE OF VENDOR	FY 2016	FY 2015	FY 2014	FY 2013
Total Actions	1364	1450	1247	922
% of Total	100%	100%	100%	100%
MWOB	318	438	355	240

% of Actions	23.31%	30.00%	28.00%	26.00%
Women Owned (WO)	309	323	253	157
% of Actions	22.65%	22.00%	20.00%	17.00%
Minority Owned (MOB)	198	264	201	157
% of Actions	14.52%	18.00%	16.00%	17.00%
Asian American/ Pacific Islander	20	46	25	20
% of Actions	1.47%	3.00%	2.00%	2.00%
African American	60	91	76	61
% of Actions	4.40%	6.00%	6.00%	7.00%
Hispanic American	57	35	19	19
% of Actions	4.18%	2.00%	1.50%	2.00%
American Indian/ Alaskan Native	1	4	2	8
% of Actions	0.07%	0.30%	0.20%	1.00%
Other Minorities	60	20	21	25
% of Actions	4.4%	1.00%	1.70%	3.00%

Table 16 shows the breakdowns of contract dollars awarded for FY 2013 through FY 2016 to small and marginalized businesses; women-owned small businesses; service-disabled, veteran-owned small businesses; and HUB Zone businesses.

To ensure that small businesses are encouraged to receive a portion of federal procurements, the Federal Acquisition Regulations (FAR) 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 than that required under the FAR, of 28.5% for small business procurement awards. In FY 2016, the CFPB met its goal of awarding 28.5% of all contracts to small businesses. As shown in Table 16 below, the Bureau contracted \$50,555,855 to small businesses, a total

representing approximately 26.62% of all CFPB contract awards. This was a 10.6% increase from amounts awarded in FY 2015, arising from both an increase in the number of awards to small businesses and a decrease on the overall number of awards.

TABLE 16: OVERVIEW OF SMALL BUSINESS AWARDS FOR FISCAL YEARS 2013-2016

CONTRACTING ACTIONS	FY2016	FY 2015	FY2014	FY 2013
Small Business Total	\$50,555,855	\$40,051,121	\$45,431,232	\$34,191,750
% of Total Obligations	26.62%	16.00%	31.00%	32.00%
Small Disadvantaged Business	\$16,630,151	\$12,041,674	\$14,157,591	\$ 9,747,372
% of Total	8.76%	5.00%	10.00%	9.00%
Women Owned Small Business	\$417,492,720	\$12,726,829	\$15,328,669	\$ 9,830,322
% of Total	9.21%	5.00%	10.00%	9.00%
Service Disabled Veteran Owned Small Business	\$4,087,779	\$5,544,318	\$5,167,743	\$ 1,797,082
% of Total	2.15%	2.00%	3.00%	2.00%
HUB Zone Small Business	\$3,711,700	\$2,029,328	\$2,889,320	\$ 2,561,903
% of Total	1.95%	1.00%	2.00%	2.00%

In FY 2016, the Bureau's total spend was \$259,132,970, of which \$38,386,242 (14.8%) was spent with minority-owned and women-owned businesses as shown in Table 17 below. Amount of spend with women-owned businesses was \$12,774,353 (4.98%) with minority-owned businesses was \$32,129,390 (12.53%).

TABLE 17: OVERVIEW OF SPEND FOR ALL MINORITY AND WOMEN OWNED BUSINESSES

CONTRACTING SPEND	FY2016	% OF TOTAL SPEND
Total Spend		
All Vendors	\$259,132,970	100%
MWOB	\$38,386,242	14.81%
Women Owned Business	\$12,774,353	4.98%
Minority Owned	\$32,129,390	12.53%
Asian/Pacific Islander	\$20,286,790	7.91%
African American	\$4,877,447	1.90%
Hispanic	\$2,350,737	0.92%
American Indian Alaska Native	\$573,698	0.22%
Other Minorities	\$2,856,413	1.11%

As shown in Table 18 below, the money spent with small businesses in FY 2016 was \$56,646,358, 22.09% of all spending, of which \$18,443,103, or 7.19% was spent with Small Disadvantaged businesses.

TABLE 18: OVERVIEW OF SPEND FOR ALL SMALL BUSINESSSES

CONTRACTING SPEND	FY 2016	% of TOTAL SPEND
Small	\$56,646,358	22.09%
Small Disadvantaged	\$18,443,103	7.19%
Women Owned Small	\$7,496,395	2.92%
Service-Disabled Veteran Owned Small	\$4,894,536	1.9%
HUB Zone	4,002,617	1.56%

The following Tables 19 through 22 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 - 2016.

As shown in Table 19 below, over half of the total obligations made in FY 2016 were in Professional, Scientific & Technical Services. The two largest contracts in this grouping were for approximately \$34.6 million for other computer related services and approximately \$24.9 million for administrative management and general management consulting services. In FY 2016, Information had the second largest amounts obligated with a total of \$23.2 million.

FIGURE 1: PERCENTAGE OF TOTAL OBLIGATIONS BY NAICS CODE GROUPING FOR FISCAL YEAR 2016

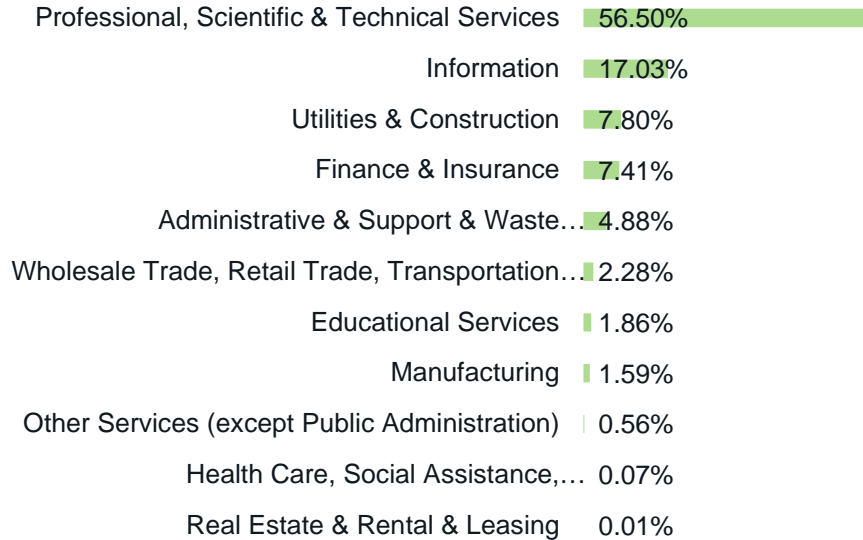


FIGURE 2: PERCENTAGE OF TOTAL OBLIGATIONS BY NAICS CODE GROUPING FOR FISCAL YEAR 2015

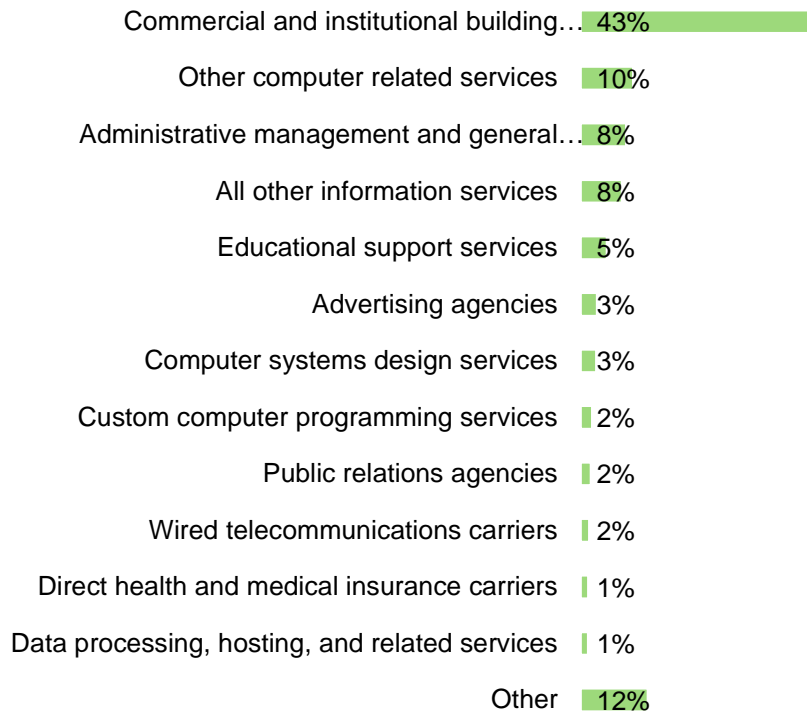


FIGURE 3: PERCENTAGE OF TOTAL OBLIGATIONS BY NAICS CODE GROUPING FOR FISCAL YEAR 2014

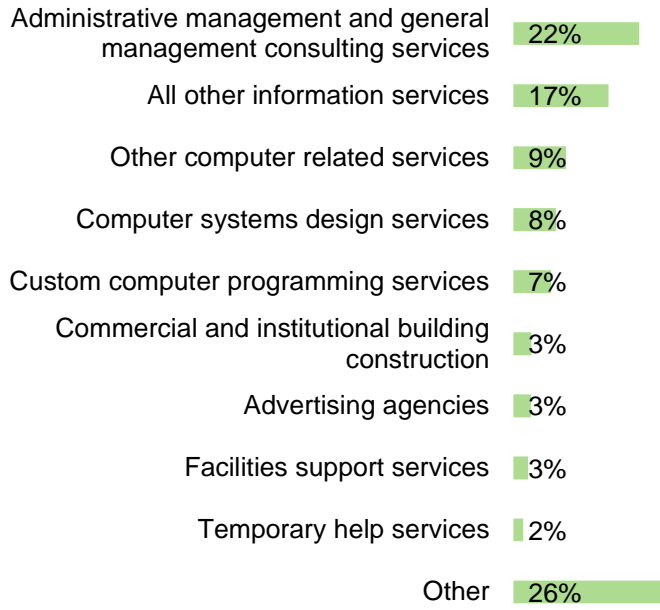
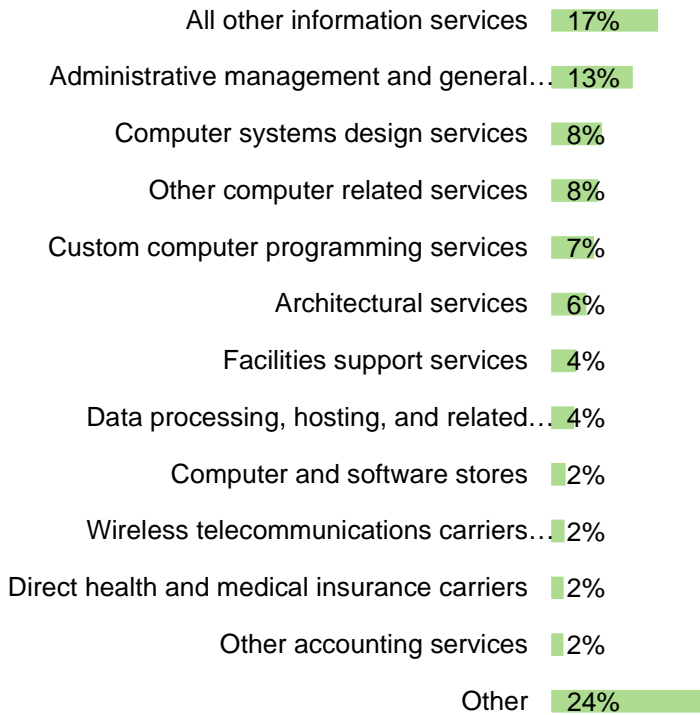


TABLE 19: PERCENTAGE OF TOTAL OBLIGATIONS BY NAICS CODE GROUPING FOR FISCAL YEAR 2014



5.2 Interagency collaboration on supplier diversity initiatives

The CFPB OMWI is a member of an interagency working group of OMWIs which includes 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. This working group meets on a regular basis to explore shared supplier diversity issues and to plan and implement initiatives that foster supplier diversity within the agencies.

In Calendar Year 2016, the CFPB and interagency partners participated in a number of procurement events targeted at establishing connections and recruiting diverse suppliers. OMWI has continued to distribute materials developed jointly with partners, including information on OMWI's directives and other financial agency contracting information. OMWI also provided information on Federal contracting processes when meeting with minority-owned

and women-owned businesses seeking Federal procurement opportunities. The working group is currently working on developing standardized supplier diversity metrics that will provide data for reports to the public.

5.3 Supplier diversity training and resources

One of the strategies proven to be effective in expanding the pool of minority-owned and women-owned businesses interested in procurement opportunities with the Bureau has been to provide potential business partners with information on the process for doing business with the Bureau. Over the past three years, OMWI and the Office of Procurement have increased their outreach and information sessions and have provided training on how to do business with the Bureau. In Calendar Year 2016 this program was put on hold due to personnel shortages.

In addition, OMWI has developed and continually updated a number of practical resources for minority-owned and women-owned businesses seeking to do business with the Bureau. These materials included information on historical obligations by products and services categories, a forecast of future procurements, and information on small business set-asides. In Calendar Year 2016, OMWI worked with the Office of Procurement to make these resources available digitally and updated them regularly on the CFPB's website: <http://www.consumerfinance.gov/doing-business-with-us/>.

5.4 Outreach for supplier diversity

One of the key supplier diversity priorities continues to be familiarizing minority-owned, women-owned and other disadvantaged businesses with the Bureau's procurement policies and with information on the opportunities for doing business with the Bureau. To address that priority, OMWI has developed an outreach program to introduce the Bureau to the vendor community, and to begin to build relationships with prospective vendors. The expected outcome is continued growth in the award of contracts. This program which was developed in FY 2013 has continued to evolve over the past three years. Components of the program include:

- 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.

Over the past two years, OMWI engaged with several organizations to increase the participation by minority-owned and women-owned businesses in procurement activities. To develop and maintain relationships and partnerships with business organizations, OMWI participated in “matchmaking” events, business fairs, and scheduled OMWI Director and other OMWI staff to speak on a number of panels. A comprehensive list of the organizations that OMWI engaged with is included in Appendix C.

6. Regulated entities

As mentioned above, the CFPB is a regular participant in an interagency working group consisting of 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 sent 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. In 2016, OMWI continued the planning needed for initiatives related to the new standards.⁴⁰ This planning work included:

- Creating a self-assessment tool that will be offered to entities to assess their diversity and inclusion policies and practices,
- Identifying key stakeholders, both internal and external to the CFPB, and establishing lines of collaboration so that when the standards are implemented, the process will be smooth and effective; and

⁴⁰ <https://www.federalregister.gov/documents/2015/06/10/2015-14126/final-interagency-policy-statement-establishing-joint-standards-for-assessing-the-diversity-policies>

- Building the Bureau processes for ensuring separation of the implementation of the standards from other Bureau engagements with the regulated entities.

In November 2016, the CFPB OMWI hosted an initial roundtable listening session with members of the mortgage industry in order to learn more about their experiences, practices and challenges with diversity and inclusion management practices. The roundtable was attended by 20 variously-sized organizations in the mortgage industry, and OMWI Directors from other financial regulatory agencies. The meeting was designed to provide an opportunity for participants to exchange ideas and to learn about common practices that currently exist in the mortgage industry to further diversity and inclusion among participants in that industry.

7. Summary of Major Accomplishments, Challenges and Next Steps

7.1 Major accomplishments

The CFPB has made important strides in diversity and inclusion in 2016. The following are some of the Bureau's key accomplishments:

- The CFPB earned acknowledgment for its diversity and inclusion initiatives by external organizations, among them: 1) the Partnership for Public Service ranked the CFPB fourth among 26 peer agencies in its "Support for Diversity" category ranking for 2016; 2) the Professional Diversity Network (PDN) named the Bureau as one of the "Top 10 Leading Employers in Diversity"; and 3) *disABLED* magazine named the CFPB one of the top thirteen Best Federal Agency Employers for persons with disabilities.
- On the 2016 Annual Employee Survey (AES) conducted by OPM, the Bureau consistently outperformed the government-wide average on the Inclusion Quotient, which is a measure of the extent to which employees experience the Bureau as inclusive.
- In Calendar year 2016, the divisions of the Bureau began to develop and implement diversity and inclusion goals and objectives in their divisional strategic plans reporting

on their progress to the Bureau Director. The Bureau also developed its first Bureau-wide diversity and inclusion strategic plan in 2016.⁴¹

- OMWI continued training managers on leading practices in diversity and inclusion. By the end of Calendar Year 2016, over 75% of managers had completed the required training. Likewise, over 75% of non-supervisory employees completed a two-hour mandatory introductory training on diversity and inclusion principles.
- The CFPB implemented a policy for the creation of Employee Resource Groups, (ERG) and two ERGs were created in 2016.
- The Bureau created a Diversity and Inclusion Council of Employees (DICE) that has been well received by employees and managers. The DICE advises OMWI on diversity and inclusion matters of importance to employees, and assists in the implementation of new initiatives.
- The Bureau developed a policy to protect transgender employees' rights and to ensure an inclusive and hospitable work environment for all.
- The Bureau began working to implement the *Joint Standards for Assessing the Diversity Policies and Practices* of entities it regulates.⁴²

7.2 Challenges and next steps

While the Bureau has made substantial progress on its strategies for diversity and inclusion in 2016, there is still work ahead. The following are some of the areas the Bureau is working on going forward:

⁴¹ https://s3.amazonaws.com/files.consumerfinance.gov/f/documents/201611_cfpb_diversity-and-inclusion-strategic-plan-2016-2020.pdf

⁴² <https://www.federalregister.gov/documents/2015/06/10/2015-14126/final-interagency-policy-statement-establishing-joint-standards-for-assessing-the-diversity-policies>.

- The Bureau has reviewed and revised its hiring processes as appropriate to ensure continued access to opportunity for all applicants. Because some mission critical occupations show an underrepresentation of certain demographic groups and a limited pool of qualified professionals from which to draw for certain positions, efforts are ongoing to support recruitment in those occupations. To help in doing so, revisions include training for hiring managers to minimize any unconscious bias in the hiring processes and to level the playing field for all applicants;⁴³ and the effectiveness of the hiring processes is reviewed on an ongoing basis to ensure that they are effective and relevant in achieving results.
- In the fast-paced work environment of the CFPB, the time and effort needed to develop and implement meaningful and sustainable diversity and inclusion strategies could sometimes be seen as a diversion from mission critical work, were it not for the Bureau's work in closely linking diversity and inclusion with mission critical work. Therefore, the Bureau has intentionally developed and discussed the Bureau's business case for diversity and inclusion and the critical connection of diversity and inclusion to creating relevant and innovative solutions for all consumers.
- In 2017, the CFPB will continue prioritizing initiatives that strengthen diversity and inclusion in the workplace, which will include:
 - Continuing to work with divisions on strengthening their diversity and inclusion goals and initiatives into their strategic plans.
 - Providing training to managers and non-supervisory employees to build their competence for managing and interacting effectively in the Bureau's diverse workplace.

⁴³ For a detailed report on this see the Bureau's MD-715 report at: <https://www.consumerfinance.gov/data-research/research-reports/equal-employment-opportunity-eeo-program-status-report-fiscal-year-fy-2015/> [to be updated when 2016 report is posted]

- Continuing the efforts to better understand and close gaps in hiring individuals from underrepresented groups where barriers to access exist.
- Implementing programs to raise awareness among current vendors and within its business units about the good faith requirements of the Dodd-Frank Act.
- Promoting supplier diversity by identifying potential minority-owned and women-owned businesses with the capability needed to provide the goods and services being procured by the Bureau, and inviting them into the competitive bidding process for such contracts.
- Hosting industry-focused events at the CFPB to connect potential diverse suppliers to the CFPB buyers.
- Tracking supplier diversity spending and sharing information broadly with divisions to encourage the use of diverse suppliers as part of the routine business practice.
- Continuing to increase opportunities for minority-owned and women-owned businesses at the CFPB by providing tools, resources and technical assistance to such businesses about the processes involved in government contracting.

APPENDIX A:

Recruitment outreach

TABLE 20: UNIVERSITY RECRUITMENT

2016 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

2016 College, University and Graduate School Recruiting

Massachusetts Institute of Technology

University of Illinois – Urbana Champaign

University of Michigan

Michigan State University

Morehouse College

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. In 2016 the Bureau attended the following recruiting events:

- 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 (“NBMBA”) 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)

APPENDIX B:

Heritage months diversity events

TABLE 21: HERITAGE MONTH AND DIVERSITY EVENTS

Heritage Month and Diversity Events	Date
National Disability Employment Awareness Month Panel Presentation	February 10, 2016
Black History Month: Lunch and Learn featuring U.S. Representative Keith Ellison, Minnesota's 5 th Congressional District	February 23, 2016
Public Service Recognition Week: Presentation from the Hon. Andrew Young, former Ambassador to the United Nations, U.S. Congressman, and Mayor	May 4, 2016
World Day for Cultural Diversity: A day to learn about and celebrate the cultures of CFPB employees	May 19, 2016
The Life and Experiences of a Supreme Court Justice: A Conversation with the Hon. Sonia Sotomayor	June 7, 2016
LGBTQ+ Pride Month: Presentation on LGBTQ+ Workplace Rights featuring Louis Lopez, Associate Special Counsel, U.S. Office of Special Counsel, and two OCR employees/LGBTQ+ legal experts, and Observance Honoring the Victims of Orlando Hate Crime	June 22, 2016
LGBTQ+ Pride Month: Screening of a film, narrated by Michael Isakoff that explored the U.S. Government's policies related to LGBTQ+ employees and the impact of those policies on the lives of those employees.	June 29, 2016
Caribbean American Heritage Month: A cultural celebration to educate about the Caribbean region and its role in American History	June 30, 2016
10/12/16- 4 th Annual Hispanic Heritage Month Potluck a celebration of culture and contributions from the Hispanic community	October 12, 2016

APPENDIX C:

Organizations with which OMWI had outreach engagements in 2015-2016

- The Congressional Black Caucus Foundation
- The National Urban League
- CFPB Supplier Diversity Workshop
- The Federal Reserve Board Vendor Outreach Fair
- 25th Annual Government Procurement Conference
- OMWI Interagency Technical Assistance Day
- The League of United Latin American Citizens
- The National Council of La Raza
- National Minority Supplier Development Council Conference & Business Opportunity Fair
- The Women Business Enterprise National Council (WBENC)
- National Contract Management Association World Congress 2016
- National Hispanic Leadership Agenda [NHLA]