FISCAL YEAR 2021

AGENCY FINANCIAL REPORT

U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

HOW THIS REPORT IS ORGANIZED

The *Fiscal Year 2021 Agency Financial Report* (AFR) will describe the financial management of the U.S. Equal Employment Opportunity Commission (the EEOC or agency) and provide high-level performance information, including management challenges. Pursuant to guidance from the Office of Management and Budget (OMB), we organize our AFR into the following major sections:

- **Management Discussion and Analysis (MD&A):** The MD&A provides an overview of the EEOC's performance and financial information, as well as the EEOC's operational highlights for fiscal year 2021. The MD&A highlights our strategic objectives and our accomplishments in achieving our mission. This section also highlights the agency's financial results and provides management's assurances on the agency's internal controls.

- **Financial Section:** This section outlines our efforts to be good stewards over the funds the agency receives to carry out its mission, including an independent auditor's opinion on the agency's financial statements.

- **Other Information**: This section includes the Inspector General's Statement on Management Challenges, the agency's progress and plans to address them, and summary tables related to our Financial Statement Audit and Management Assurances.

- **Appendices:** Contain information on EEOC's organization, jurisdiction, leadership, and revolving fund, as well as a glossary of the acronyms used in the report.

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MESSAGE FROM THE CHAIR

I am pleased to present the U.S. Equal Employment Opportunity Commission's (EEOC) Agency Financial Report (AFR) for fiscal year (FY) 2021. I was sworn in as Chair of the EEOC in January 2021, and it is an honor to lead the agency's dedicated employees, who are committed to advancing equal opportunity for all in the workplace.

The EEOC was created in direct response to calls for racial justice at the historic 1963 March on Washington for Jobs and Freedom. Established by the Civil Rights Act of 1964, the agency first opened its doors the following year with a simple mission — to prevent and remedy discrimination in our nation's workplaces. Since then, America has made great progress toward that goal, but history shows that we cannot take this progress for granted. Promoting equal employment opportunity and enforcing the nation's federal workplace anti-discrimination laws remains as necessary as ever. We must continue to work toward an America where all have a fair chance to work, provide for their families, and contribute to our economy. The EEOC is firmly committed to this goal and will continue to build on its proud legacy of civil rights accomplishments to achieve it.

As the primary federal agency that enforces laws against employment discrimination, the EEOC continued to play a critical role in FY 2021 in advancing equal opportunity in the workplace. As detailed in this report, during the past fiscal year the agency renewed its focus on tackling systemic discrimination in all forms and on all bases, including promoting racial justice and equity in the workplace, preventing and remedying discrimination in pay, and addressing the civil rights impact of the COVID-19 pandemic.

The EEOC has numerous tools to combat discrimination, including outreach, technical assistance, and enforcement, and the agency used all of them during FY 2021 to achieve change on a broad scale. As a result, as detailed in this report, despite the challenges created by the pandemic, the agency made significant accomplishments in each of these priority areas.

The successes of FY 2021 were in part made possible through efforts to rebuild and strengthen the agency. Early in my tenure in FY 2021, I authorized the hiring of more than 450 predominately front-line positions (investigators, mediators, attorneys, and administrative staff, among other positions) to help restore our ability to fulfill the agency's vital role in preventing and remedying employment discrimination. The addition of these new employees in mission-critical positions is a down payment on what I hope will be a long-term investment to ensure that the EEOC has resources commensurate with its task.

I am also pleased to report that the EEOC has once again received an unmodified opinion from an independent audit of our financial statements. As required by the Federal Managers Financial Integrity Act (FMFIA), the AFR provides reasonable assurances about the agency's internal controls. Moreover, the financial data and performance results provided in the AFR are reliable and complete.

The EEOC was created as a result of a strong national commitment to civil rights. As such, it serves as tangible proof that the causes of justice and equality are greater than hatred, division, and bigotry. That legacy and our work are critically important to the American people and to this administration as we rebuild the economy to work for everyone and confront the urgent issue of systemic discrimination.

Charlotte A. Burrows
Chair
November 15, 2021

MANAGEMENT DISCUSSION AND ANALYSIS

The Equal Employment Opportunity Commission's Agency Financial Report (AFR) provides financial information and an overview of programs, accomplishments, and challenges that enable the President, Congress, and the American people to assess the EEOC's performance and accountability for the resources entrusted to it for the fiscal year (October 1 through September 30). The report is prepared in accordance with the requirements of the Office of Management and Budget (OMB) Circular No. A-136, *Financial Reporting Requirements*.

The EEOC provides an AFR with a primary focus on financial results and a high-level discussion of performance results, along with an Annual Performance Report (APR), which details strategic goals and performance results. The EEOC will publish the APR in coordination with its Congressional Budget Justification in February 2022. Both reports will be available at https://www.eeoc.gov/budget-and-performance.

MISSION, MAJOR PROGRAMS, AND ORGANIZATIONAL STRUCTURE

- **Mission:** Prevent and remedy unlawful employment discrimination and advance equal opportunity for all in the workplace.
- **Vision:** Respectful and inclusive workplaces with equal employment opportunity for all.

AGENCY OVERVIEW

Title VII of the Civil Rights Act of 1964 (Title VII) created the EEOC to enforce protections against employment discrimination on the basis of race, color, national origin, religion, and sex. Congress subsequently vested the EEOC with responsibility to enforce the Equal Pay Act of 1963 (EPA), the Age Discrimination in Employment Act of 1967 (ADEA), Sections 501 and 505 of the Rehabilitation Act of 1973, Titles I and V of the Americans with Disabilities Act of 1990 (ADA), and Title II of the Genetic Information Nondiscrimination Act of 2008 (GINA). In addition, in 1972, Congress further expanded the agency's responsibilities by providing federal government employees the protections of Title VII and providing the EEOC with independent litigation authority against private employers under Title VII.

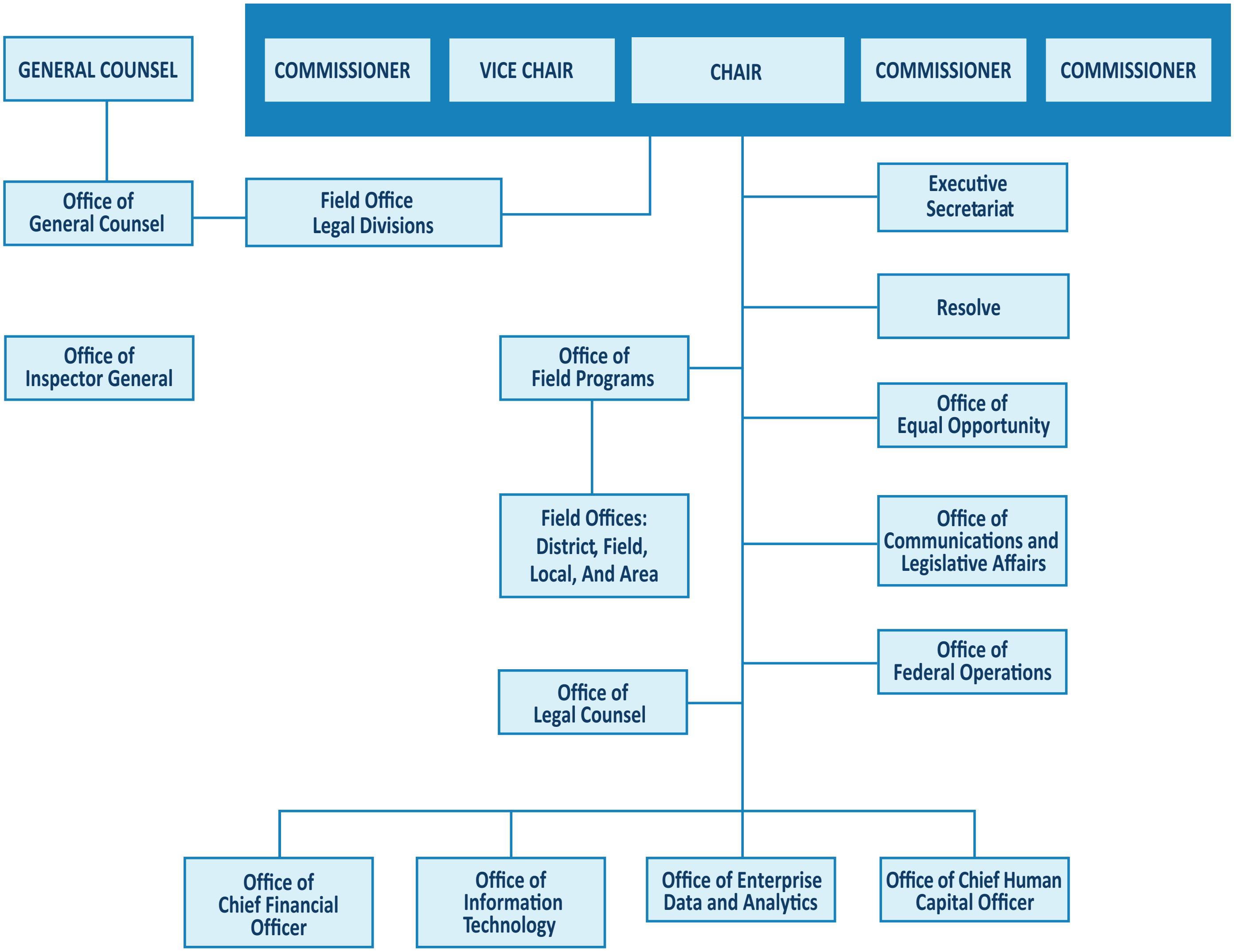
STATUTORY STRUCTURE

The EEOC is led by six presidential appointees — five Commissioners (including the Chair and Vice Chair) who serve staggered five-year terms and the General Counsel. No more than three Commissioners (including the Chair and Vice Chair) may be from the same political party. The Chair is responsible for the administration and implementation of policy, the enforcement program, financial management, and day-to-day operations of the Commission. The Commissioners participate in the development and approval of Commission policies, issue charges of discrimination where appropriate, and authorize the filing of lawsuits. The General Counsel supports the Commission and provides direction, coordination, and supervision to the EEOC's litigation program.

The Commissioners and General Counsel	Term Expires
CHAIR CHARLOTTE A. BURROWS	2023
VICE CHAIR JOCELYN SAMUELS	2026
COMMISSIONER JANET DHILLON	2022
COMMISSIONER KEITH E. SONDERLING	2024
COMMISSIONER ANDREA R. LUCAS	2025
GENERAL COUNSEL VACANT*	

*EEOC's previous General Counsel Sharon Fast Gustafson left the agency in March 2021. Gwendolyn Young Reams was named acting General Counsel on March 12, 2021.

ORGANIZATION



The EEOC accomplishes its mission through component offices that administer various programs. For more information about specific EEOC offices, please see Appendix A.

These programs are carried out through a network of 53 district, field, area, and local offices. For more information about the EEOC Field Offices across the nation please see Appendix E.

PERFORMANCE GOALS, OBJECTIVES, AND RESULTS

FISCAL YEAR 2021 PERFORMANCE HIGHLIGHTS

The EEOC's Strategic Plan establishes a framework for achieving the EEOC's mission to "Prevent and remedy unlawful employment discrimination and advance equal opportunity for all in the workplace," so that the nation may achieve the Commission's vision of "Respectful and inclusive workplaces, with equal employment opportunity for all." Below are some of our performance highlights in achieving the agency's strategic objectives for fiscal year 2021.

The EEOC continued to successfully combat and prevent employment discrimination through the strategic enforcement of laws within our jurisdiction by:

- Using administrative enforcement and litigation to promote broad compliance with federal workplace anti-discrimination laws, including:
  - Securing more than $484 million for victims of discrimination, including:
    - Approximately $350.7 million for 11,067 victims of employment discrimination in the private sector and state and local government workplaces through mediation, conciliation, and settlements.
    - $34 million for 1,920 individuals as a direct result of litigation resolutions.
    - More than $100 million for 2,169 federal employees and applicants.
  - Successfully resolving 41.1% of conciliations.
    - Among the successful conciliations, 55.7% involved one or more Strategic Enforcement Plan priority areas.
  - Filing 116 lawsuits including 74 suits on behalf of individuals, 29 non-systemic suits with multiple victims, and 13 systemic suits involving multiple victims or discriminatory policies.
    - Among the lawsuits filed by the EEOC in fiscal year 2021, 77 involved one or more Strategic Enforcement Plan priority areas.
  - Resolving 138 lawsuits and achieving favorable results in approximately 96% of all federal district court resolutions.
  - Continuing to build on our successful mediation program, including:
    - Conducting 6,644 successful mediations resulting in $176.6 million in benefits to charging parties.
    - Conducting 639 federal sector mediations resulting in close to $8.4 million for federal employees and applicants.
  - Resolving 9,082 federal sector hearings requests and securing almost $90 million in relief for federal employees through the EEOC's hearings program.
  - Resolving 4,172 federal sector appeals.
    - EEOC continued its significant resolution of appeals addressing the merits of employees' discrimination claims, including 99 findings of discrimination in fiscal year 2021.
    - Securing over $10.9 million in monetary relief as ordered in EEOC's federal appellate decisions.
    - Among the decisions issued by the EEOC in fiscal year 2021, 83 were identified as implicating one or more

Strategic Enforcement Plan priorities, including numerous decisions addressing equal pay or other wage discrimination issues.

- Ensuring that federal and private sector complaints and charges are handled promptly and efficiently by:
  - Managing the inventory of pending private sector charges with 42,811 charges pending at the end of the fiscal year, which was a slight increase of 2.0% over last year's inventory.
    - In fiscal year 2021, this included handling more than 383,500 calls from the public through the agency contact center. The contact center also handled more than 52,000 emails, which reflects an increase of almost 40% compared with fiscal year 2020.
  - Reducing the federal sector hearings inventory for the fourth consecutive year, achieving a reduction of 6.2% in fiscal year 2021, with 10,225 hearings pending at the end of the fiscal year.
  - Reducing the number of federal sector appeals that were more than 500 days old, ending the year with 60 such appeals.
- Upgrading the Commission's data collection, analysis, and reporting capabilities, which will enable the agency to use modern data analytics to facilitate data-driven decision making, including:
  - Creating new data visualizations to illustrate employment discrimination data in a simple, comprehensible, and visually appealing way.
  - Launching *EEOC Explore*, a web-enabled, state-of-the-art, user-friendly, data query and mapping tool, to promote transparency, facilitate access, and encourage greater use of EEOC's publicly available data.
  - Launching the federal Annual Report Dashboard on the EEOC website, which reports agency-level federal sector complaint data. It allows the user to view key complaint data from EEOC's Statistical Report of Discrimination, including counseling, complaints, investigations, closures and costs, and ADR.

The EEOC made significant efforts to prevent employment discrimination and promote inclusive workplaces through education and outreach in the following ways:

- Conducting more than 2,325 outreach events and providing more than 254,830 individuals nationwide with information about employment discrimination and their rights and responsibilities in the workplace, including:
  - Delivering nearly 400 federal sector outreach, education, and training events, and providing more than 17,119 federal sector employees and equal employment opportunity (EEO) professionals with information about employment discrimination and their rights and responsibilities in the workplace.
- Addressing the intersection of COVID-19 and federal employment discrimination laws, including conducting 313 outreach events related to COVID-19 that reached 39,827 individuals.
- Holding the Commission's first-ever, all virtual public hearing by videoconference to explore the workplace civil rights implications of the COVID-19 pandemic. Over 2,000 members of the public tuned in to hear testimony from a wide range of experts about how the pandemic is harming already vulnerable populations.
- Conducting listening sessions, trainings, and meetings on the rights of LGBTQ+ individuals to be free from employment discrimination, including hosting 186 outreach events related to LGBTQ+ matters, which reached 19,208 individuals.

- Prioritizing outreach to vulnerable workers and developing and enhancing partnerships with organizations that work with vulnerable workers, including:
  - Conducting over 649 outreach events for vulnerable workers and reaching over 71,024 individuals.
  - Collaborating with partner organizations to extend our reach and better serve vulnerable workers and underserved communities, which included conducting over 1,103 partnership events reaching 105,943 attendees.
  - Enhancing EEOC's ability to identify and reach vulnerable or underserved populations with the use of an enhanced visualization tool that allows field offices to obtain demographic data by county.
- Prioritizing outreach to the small business community, including:
  - Conducting 460 outreach events for small businesses.
  - Promoting the online Small Business Resource Center to provide a one-stop shop to help small businesses easily access information about employer responsibilities.
  - Receiving an "A" rating in the Small Business Administration Ombudsman's report to Congress for fiscal year 2019, which was published in fiscal year 2021, for responsiveness to small business concerns. The report also highlighted EEOC's non-retaliation policy as an example of an effective policy.

The EEOC worked to achieve organizational excellence by:

- Modernizing agency data collections and data dissemination activity to align with the Federal Data Lifecycle Framework and ensure compliance with the provisions of Title VII of the Civil Rights Act of 1964, Paperwork Reduction Act (PRA), Information Quality Act (IQA), Foundations for Evidence-Based Policymaking Act (Evidence Act), Confidential Information Protection and Statistical Efficiency Act (CIPSEA), and Federal Information Security Modernization Act (FISMA).
- Implementing various recruitment strategies to overcome historical recruiting challenges to ensure diversity and inclusion in selections, and identify key competencies for positions, such as extending the U.S. Peace Corps eligibility.
- Streamlining the recruitment process to improve time-to-hire rates. As of September 30, 2021, the agency hired 450 backfills and new employees, and all of the hires were made within the 78-day deadline.
- Continuing to recruit, employ, retain, and advance disabled veterans, with an added emphasis on veterans with a 30% or more disability, in adherence to 5 CFR § 720.304(a)(1) and OPM guidance.
- Negotiating a Re-Entry Guidelines Memorandum of Understanding (MOU) and Re-Entry Plan MOU for Headquarters and Field Offices with Local No. 216 concerning re-opening of offices during the COVID-19 pandemic and procedures for involving Local No. 216 once re-entry plans are developed.

EEOC'S PERFORMANCE MEASUREMENT PROCESS

The Government Performance and Results Modernization Act of 2010 (5 U.S.C. 306, as amended) requires executive departments, government corporations, and independent agencies to develop and post a Strategic Plan on their public websites every four fiscal years. The implementing guidance in Circular A-11 from the Office of Management and Budget (OMB) instructs agencies on the necessary elements required in an agency's strategic plan and the requirements to publish a new strategic plan with the beginning of each new term of an administration.

The *U.S. Equal Employment Opportunity Commission Strategic Plan for Fiscal Years 2018–2022* (Strategic Plan) is located at https://www.eeoc.gov/us-equal-employment-opportunity-commission-eeoc-strategic-plan-fiscal-years-2018-2022.

The Strategic Plan established three overarching strategic objectives and twelve performance measures to gauge the agency's progress in meeting these objectives. Goal leaders, assigned by program office representatives in headquarters, lead the efforts on each of the agency's performance measures. The EEOC conducts periodic performance measure reviews. During these reviews, program office representatives report on the progress made to achieve the agency's performance measures.

The EEOC reports on performance measures each year. In the agency's Annual Performance Plan (APP), issued as part of the OMB's budget request, the EEOC identifies the level of planned performance to achieve in the fiscal year, along with performance goals and key milestones that align with the EEOC's Strategic Plan and agency priorities. In the agency's Annual Performance Report, issued in coordination with the agency's Congressional Budget Justification in February each year, the EEOC reports on progress achieving the goals and objectives in the agency's Strategic Plan and APP, along with performance and program results achieved for the previous fiscal year.

OVERVIEW OF THE STRATEGIC PLAN OBJECTIVES, GOALS, AND PERFORMANCE MEASURES

In accordance with the Government Performance and Results Modernization Act of 2010, the Commission approved the EEOC's Strategic Plan for Fiscal Years 2018–2022 on February 12, 2018. To do so, the agency engaged in a comprehensive assessment of its programs and priorities. As stated above, under this Strategic Plan, the EEOC focuses on three strategic objectives to achieve its critical mission to prevent and remedy unlawful employment discrimination and advance equal opportunity for all in the workplace and to pursue its vision of respectful and inclusive workplaces with equal employment opportunity for all.

Strategic Objective I, to combat and prevent employment discrimination through the strategic application of the EEOC's law enforcement authorities, reflects the EEOC's primary mission of preventing unlawful employment discrimination through: 1) the administrative (investigation and conciliation) and litigation mechanisms Congress has entrusted to the agency with regard to private employers, labor organizations, employment agencies, and state and local government employers; and 2) the adjudicatory and oversight mechanisms Congress has entrusted to the agency with regard to federal employers.

There are two outcome goals and five performance measures for Strategic Objective I.

<table>
<tr><th colspan="2">Strategic Objective I: Combat and prevent employment discrimination through the strategic application of the EEOC's law enforcement authorities.</th></tr>
<tr><td>Outcome Goal I.A: Discriminatory employment practices are stopped and remedied, and victims of discrimination receive meaningful relief.</td><td>Outcome Goal I.B: Enforcement authorities are exercised fairly, efficiently, and based on the circumstances of each charge or complaint.</td></tr>
<tr><td>Performance Measure 1: By FY 2022, a significant proportion of the EEOC's and FEPA's resolutions contain targeted, equitable relief.
Sub-Measure 1a: By FY 2022, 86–88% of the EEOC's resolutions contain targeted, equitable relief.
Sub-Measure 1b: By FY 2022, 17–19% of FEPA's resolutions contain targeted, equitable relief.
Performance Measure 2: In each year through 2022, the EEOC continues to favorably resolve at least 90% of enforcement lawsuits.

Performance Measure 3: Each year through 2022, the EEOC reports on its efforts to identify and resolve systemic discrimination.

Performance Measure 4: By FY 2022, an increased percentage of federal agencies subject to oversight activities or compliance reviews change their employment practices based on the EEOC's recommendations.</td><td>Performance Measure 5: By FY 2022, a significant proportion of investigations, conciliations, hearings, and appeals meet established quality criteria.
Sub-Measure 1a: By FY 2022, 88% of charge investigations and conciliations meet criteria established in the Quality Enforcement Practices Plan.
Sub-Measure 1b: By FY 2022, 90% of federal sector hearings and appeals meet criteria established in the Federal Sector Quality Practices Plan.</td></tr>
</table>

Strategic Objective II, to prevent employment discrimination and promote inclusive workplaces through education and outreach, reflects the EEOC's obligation to deter employment discrimination before it occurs. Investigations, conciliations, and litigation are only some of the means that the EEOC uses to fulfill its mission and vision. Educational and outreach programs, projects, and events are also cost-effective law enforcement tools because they promote understanding of the law and voluntary compliance with the law. All parties benefit when the workplace is free from discrimination and everyone has access to equal employment opportunity.

There are two outcome goals and three performance measures for Strategic Objective II.

Strategic Objective II: Prevent employment discrimination and promote inclusive workplaces through education and outreach.	
Outcome Goal II.A: Members of the public understand the employment discrimination laws and know their rights and responsibilities under these laws.	**Outcome Goal II.B:** Employers, unions, and employment agencies (covered entities) prevent discrimination, effectively address EEO issues, and support more inclusive workplaces.
Performance Measure 6 for Outcome Goals II.A and II.B: By FY 2022, the EEOC modernizes and expands utilization of technology to ensure the public has greater access to information about their rights and responsibilities.	
Performance Measure 7 for Outcome Goals II.A and II.B: By FY 2022, the EEOC leverages collaborations with significant partner organizations to assist in breaking employment barriers.	
Performance Measure 8 for Outcome Goal II.A: By FY 2022, the EEOC updates existing guidance and training materials and creates new, user-friendly resource tools to address and prevent workplace discrimination.	

The Management Objective, achieving organizational excellence, seeks to improve management functions with a focus on information technology, infrastructure enhancement, and accountable financial stewardship. This requires integration and coordination across the agency to foster organizational excellence from both internal and external perspectives.

The Commission has developed two outcome goals and four performance measures for its Management Objective.

Management Objective: Achieve organizational excellence.	
Outcome Goal III.A: Staff exemplify a culture of excellence, respect, and accountability.	**Outcome Goal III.B:** Resource allocations align with priorities to strengthen outreach, education, enforcement, and service to the public.
Performance Measure 9 for Outcome Goal III.A: The EEOC's performance improves with respect to employee engagement and inclusiveness. **Performance Measure 10 for Outcome Goal III.A:** Feedback surveys and other mechanisms provide baseline measures of services provided to those with whom the EEOC interacts.	**Performance Measure 11 for Outcome Goal III.B:** Monitor yearly progress on modernization of charge/case management systems for program offices until completed in 2022. **Performance Measure 12 for Outcome Goal III.B:** The EEOC's budgetary resources for FY 2018–2022 align with the Strategic Plan.

The agency's progress on the strategic objectives, outcome goals, and related performance measures is discussed below.

VERIFICATION AND VALIDATION OF DATA

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

The EEOC continually reviews the information we collect in our databases for accuracy by using statistical software (e.g., SAS) and program reviews of a sample of records during field office technical assistance visits. In addition, headquarters offices regularly conduct analyses to review the information collected in order to identify erroneous entries requiring correction to collection procedures.

Recent implementation of the Federal Sector EEO Portal that enables all federal agencies to electronically submit annual equal employment opportunity statistics (EEOC Form 462 and MD-715) continues to improve the quality and timeliness of the information received electronically. We continue to improve the collection and validation of information for our Integrated Mission System (IMS), which consolidates our program data on charge intake, investigation, mediation, litigation, and outreach functions into a single shared information system. IMS includes many automated edit checks and rules to enhance data integrity. We are working closely with the EEOC's Office of Information Technology (OIT) to prepare for the transition from IMS to the Agency Records Center (ARC) system early in fiscal year 2022. We have identified many areas where we will be able to further improve our current processes when the new system is implemented. Because several performance measures require data to assess our achievements, it is significant that we can now obtain this data much more quickly and with greater data accuracy.

The EEOC's Office of Inspector General (OIG) continues to review the agency's data validity and verification procedures, information systems, and databases and offers recommendations for improvement. We use the OIG's information and recommendations to continually improve our systems and data.

PROGRAM EVALUATIONS

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

Independent program evaluations played an important role in formulating the strategic objectives and performance goals detailed in the EEOC's Strategic Plan for Fiscal Years 2018–2022 and helped shape some of the program issues and key focus areas for improvement. They are an invaluable management tool to guide the agency's strategic efforts in attaining high levels of productivity and program efficiency, effectiveness, and accountability.

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

In fiscal year 2021, the agency continued its work on the following evaluation projects: The Interagency Agreement (IAA) between the EEOC and The Committee on National Statistics (CNSTAT) of the National Academies of Sciences, Engineering, and Medicine for a Panel to Evaluate the Quality and Utility of Compensation and Hours Worked Data Collected from U.S. Employers by the EEOC through the EEO-1 Project; the Mediation Survey Modernization Project; and the EEOC's Data and Modernization Program.

The Interagency Agreement (IAA) between the EEOC and The Committee on National Statistics (CNSTAT) of the National Academies of Sciences, Engineering, and Medicine for a Panel to Evaluate the Quality and Utility of Compensation and Hours Worked Data Collected from U.S. Employers by the EEOC through the EEO-1 Project. CNSTAT is examining the EEOC's historic collection of employer compensation data for 2017 and 2018. The EEOC's large scale collection of pay information from private employers and federal contractors between July 15, 2019 and February 14, 2020 affords an opportunity to review the methods used and the circumstances of the collection, document lessons learned, and identify ways to improve future collections. CNSTAT has assembled a distinguished panel of experts to examine the pay data collection and make recommendations regarding its uses as well as suggestions for enhancing future collection of pay data.

Mediation Survey Modernization Project. EEOC mediation participants are now able to share their feedback by completing a survey electronically, in English or Spanish. The project's benefits include fewer steps in the process of distributing the survey to participants, faster receipt of survey responses, reduced data entry, and elimination of postage. Due to the pandemic, the mediation program has conducted only telephone or video mediations since March 2020, a departure from the in-person model implemented in 1999. In fiscal year 2021, the project was expanded to include EEOC mediators as well as mediation participants. The EEOC also increased its efforts to reach underserved communities by making the e-survey available in Haitian/Creole and Chinese.

The EEOC's Data and Analytics Modernization Program. Beginning in fiscal year 2018 and continuing through fiscal year 2023, the goals of the modernization program are to: 1) enhance transparency of agency functions and operations; 2) reduce burden on our stakeholders; 3) augment agency use of modern data analytics to drive data-driven decision making; and 4) promote greater public access to the data.

STRATEGIC GOALS AND PERFORMANCE RESULTS SUMMARY

As discussed above, the EEOC's Strategic Plan established a national framework to achieve the agency's mission by pursuing three strategic objectives and their underlying goals. The Plan also identified strategies for achieving each outcome goal and identified 12 performance measures for gauging the EEOC's progress for fiscal year 2021. The below chart summarizes the agency's progress in meeting these measures.

EEOC FY 2021 Performance			
Measures	**Targets Met or Exceeded**	**Targets Partially Met**	**Targets Not Met**
12	10	2	0

In fiscal year 2021, the EEOC's ability to make progress on our strategic objectives depended on the agency continuing to adapt to the challenges presented by the COVID-19 pandemic while continuing to effectively prevent and remedy employment discrimination. Through the adoption of agency-wide telework in March 2020, the agency was able to continue enforcing the nation's employment anti-discrimination laws while taking measures to keep the public and employees safe. Despite the challenges of the pandemic, the EEOC was able to effectively manage the private and federal sector workloads, continue to prevent and remedy unlawful employment discrimination, and advance equal opportunity in the workplace.

PERFORMANCE RESULTS

The EEOC's mission to prevent and remedy employment discrimination guides its work to promote equal employment opportunity and enforce the nation's federal workplace anti-discrimination laws. As described below, in fiscal year 2021, the agency continued to expand its legacy of civil rights accomplishments.

- **Rebuilding and Strengthening the Enforcement Capacity of the Agency**

  The EEOC has a critical role to play in addressing many of the urgent issues facing our nation — including the ongoing civil rights impact of the COVID-19 pandemic, racial justice, pay equity, and implementation of the Supreme Court's historic decision in *Bostock v. Clayton County*, which affirmed protections against discrimination based on sexual orientation and gender identity. The EEOC requires sufficient resources and tools to continue to prevent and remedy employment discrimination, both now and far into the future. In fiscal year 2021, the agency prioritized ensuring that it had sufficient staff to address its expanding workload. During fiscal year 2021, the agency filled more than 450 positions and ended the year with more than 2,100 employees. Notably, the majority of positions were filled by individuals who were new to the agency and predominately front-line staff (investigators, mediators, attorneys, and equal employment specialists, among other positions). As a result of this hiring effort, EEOC was able to address critical service and morale issues by restoring staffing losses in key areas. These hires also better position the agency to provide quality service to the public and ensure timely and appropriate resolution of discrimination charges.

  With a focus on increased staffing, the EEOC was able to realize significant program accomplishments. For example, in fiscal year 2021, the pending inventory level was maintained in a range that provides a manageable workload, with 42,811 charges in the private sector, a slight increase over fiscal year 2020 levels. Having additional staff to focus on inventory management enhances service to the public and allows staff additional time and resources to devote to developing and resolving meritorious charges of discrimination. As a result, the agency increased the overall merit factor rate in private sector charges from 17.4% in fiscal year 2020 to 19.2% in fiscal year 2021, secured over $350.7 million in monetary relief for individuals during the administrative process, was successful in 41.1% of conciliations, and obtained targeted, equitable relief in 92.6% of all conciliation agreements.

  With increased staffing in fiscal year 2021, the EEOC was also able to focus on strengthening the agency's ability to combat employment discrimination in the federal government. The agency has adjudicatory responsibilities in the federal EEO complaints process, including hearings before administrative judges on discrimination complaints by federal employees or applicants, as well as deciding appeals of federal agency determinations on whether discrimination occurred. The EEOC's federal sector hearings inventory management efforts were also successful with the year-end inventory of hearings declining 6.2% to 10,225. The EEOC also continued focusing on resolving the oldest appeals and those that vindicate employees' legal rights or preserve their access to the EEO complaint process. Using these approaches, the EEOC resolved 4,172 appeals. Moreover, 1,902 of the total appeal resolutions were issued within 180 days of receipt. These included 815 initial appeals from procedural dismissals that terminated complainants' participation in the EEO process. The EEOC's appellate review programs reversed nearly 31% of federal agency procedural dismissals, ordering federal agencies to continue processing the EEO complaint. Quickly addressing appeals involving procedural dismissals of complaints has been critical to effectively preserving access to the EEO complaint process.

- **Addressing Systemic Discrimination on all Bases**

Addressing systemic discrimination — where a discriminatory pattern, practice, or policy has a broad impact on an industry, company, or geographic area — is central to the mission of the EEOC. Systemic discrimination creates barriers to opportunity that causes widespread harm to workers, workplaces, and the economy. Without systemic enforcement, many discriminatory systems and structures would persist — leading to more harm to individuals subject to such discriminatory practices and potentially more individuals filing charges of discrimination against their employers. A robust systemic program allows the EEOC to make change on a national, regional, or industry level while helping substantial numbers of employees at once.

In fiscal year 2021, the Commission renewed its attention to tackling systemic employment discrimination in all forms and on all bases, including unlawful harassment. The EEOC has numerous tools to combat systemic discrimination and harassment, including outreach and education, technical assistance, and enforcement, and uses all of them to achieve change on a broad scale. As a result, the Commission's systemic enforcement program produced significant results with more than 342 systemic investigations resolved on the merits and more than $24.4 million in monetary benefits obtained. In addition to providing monetary relief to charging parties and other aggrieved individuals, these resolutions included targeted equitable relief designed to change employment practices, prevent future discrimination, and bring respondents into compliance with the law. The EEOC secured targeted equitable relief in 100% of successful systemic conciliations.

When efforts to combat systemic discrimination through voluntary compliance fail, litigation may be necessary to remedy and prevent future discrimination. In fiscal year 2021, the EEOC resolved 26 systemic suits, obtaining a total of approximately $22.7 million for 1,671 individuals and significant equitable relief. As just one example, in *EEOC v. JBS USA, LLC, d/b/a JBS Swift & Company*, No. 1:10-cv-02103 (D. Colo. June 8, 2021), the EEOC alleged that the operator of a slaughterhouse and meat packing facility denied Black Somali Muslim employees religious accommodations and subjected them to harassment based on race, national origin, and religion, and disciplined and discharged Somali Muslim employees because of their national origin and religion and in retaliation for requesting religious accommodations. The 83 charging parties and other claimants were recent immigrants who were denied prayer accommodations, subjected to derogatory graffiti and offensive comments by coworkers, and refused breaks during Ramadan. The consent decree in this case provides $5.5 million for over 300 claimants and requires the employer to provide clean and appropriate locations to observe religious beliefs, conduct EEO trainings, and implement policies addressing discrimination and religious accommodation. The EEOC also filed 13 new systemic lawsuits in fiscal year 2021. The allegations in these lawsuits involved systemic sexual harassment, challenges to employment policies that limit the rights of individuals with disabilities, sex-based assignments, sex-based failure to hire, failure to accommodate pregnant employees, race harassment and disparate pay, and age- and national origin-based layoffs.

The Biden Administration has called for a whole-of-government approach to addressing systemic discrimination and advancing equal opportunity. During fiscal year 2021, the EEOC played a critical role in advancing diversity, equity, inclusion, and accessibility in the federal government, including by:

- Working closely with the administration in the drafting and implementation of Executive Order 14035: *Diversity, Equity, Inclusion, and Accessibility (DEIA) in the Federal Workforce*.
- In conjunction with the Office of Management and Budget (OMB) and the Office of Personnel Management (OPM), conducting outreach and assisting agencies in implementing Executive Order 14035.
- Partnering with the White House Domestic Policy Council, OMB, OPM, and the Department of Justice to serve on

the implementing committees for Executive Order 13988: *Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation*.

- o Providing consultation in support of Executive Order 13985: *Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*. For example, EEOC provided training and outreach on how Executive Order 13985 interacts with other executive orders and memoranda.
- o Partnering with the White House National Security Council to serve as subject matter experts assisting with the implementation of the Diversity, Equity, Inclusion and Accessibility provisions of the Presidential Memorandum of February 4, 2021: *Revitalizing America's Foreign Policy and National Security Workforce, Institutions, and Partnerships.*

- **Advancing Racial Justice**

Over the past five fiscal years, approximately a third of all charges filed with the agency have alleged some form of racial discrimination. As the primary federal agency that enforces laws against employment discrimination, the EEOC continued to play a key role in promoting racial justice and equity in the workplace during fiscal year 2021.

In fiscal year 2021, EEOC conciliated a case against a major U.S. employer which found evidence of discrimination in promotion on the basis of race against African American/Black employees, and resolved the case for over $10 million in relief, substantial changes to policies and practices, and reporting to the EEOC to make sure that the employer remains in compliance with the law. The EEOC also resolved a systemic investigation involving discriminatory client preferences in assignments that discriminated against African Americans. This investigation resolved for over $100,000 in monetary relief for the charging party and other impacted workers and targeted equitable relief designed to end assignments based on race. Additionally, the EEOC resolved a systemic investigation involving discriminatory discipline, termination, and promotion on the basis of race, Black. As part of the resolution for this investigation, the respondent agreed to make mentorship, training, development, and networking opportunities available to Black employees, and participate in community organizations that promote hiring and development of Black employees and managers.

When efforts to combat racial discrimination through voluntary compliance fail, litigation may be necessary to remedy and prevent future discrimination. In fiscal year 2021, the EEOC resolved 21 lawsuits alleging race or national origin discrimination for approximately $15 million in monetary relief benefiting 798 individuals. As just one example, in *EEOC v. Cardinal Health 200, LLC d/b/a Cardinal Health*; and *Howroyd-Wright Employment Agency d/b/a AppleOne Employment Services* No. 5:19-cv-00941 (C.D. Cal. July 8, 2021), the EEOC alleged that the defendants subjected Black employees to a hostile work environment, disparate treatment, and constructive discharge based on their race, and retaliated against employees for opposing racial discrimination. Black employees were subjected to continuous derogatory racial comments by coworkers, supervisors, and managers, including the use of the n-word and references to Black employees as monkeys and slaves. In addition, restroom facilities were defaced with racist graffiti. Despite complaints, the racist conduct continued, resulting in the constructive discharge of some Black workers. Black workers were also given less favorable assignments and were denied cross-training that would make them more desirable for permanent positions. Black workers who complained were denied full-time positions, constructively discharged, and discharged. The case was resolved by separate consent decrees with Cardinal Health and AppleOne. Cardinal Health will pay $1.45 million to about 45 claimants. Both decrees enjoin race harassment and retaliation and provide for revised policies, race discrimination trainings, and extensive recordkeeping and reporting. In fiscal year 2021, the EEOC also filed seven new class cases involving race (six alleging race-based harassment and one alleging disparate pay based on race) and another 14 individual cases involving race or national origin discrimination.

Race also remains among the most alleged protected bases in federal sector discrimination complaints. During fiscal year 2021, the EEOC received approximately 2,377 hearing requests involving race as a basis of discrimination. During the same time period, EEOC's federal sector received 1,052 appeals that alleged discrimination on the basis of race/ Black. EEOC's federal sector hearings and appeals programs remain committed to eradicating race discrimination and all other forms of employment discrimination.

During fiscal year 2021, through education and outreach, the EEOC continued to play a pivotal role in promoting racial justice and confronting systemic barriers in the workplace. The EEOC reached out to Asian Americans, African Americans, and other groups and conducted outreach through listening sessions, panel discussions, trainings, and other meetings to strategize ways to combat racial and ethnic harassment and discrimination. During fiscal year 2021, the agency conducted 261 outreach sessions involving issues related to race, which were attended by 35,162 individuals, and 245 sessions on national origin discrimination, with 16,521 attendees. For example, the EEOC hosted a virtual event on the intersection of Asian American, Native Hawaiian and Pacific Islander (AANHPI) and LGBTQ+ identities to highlight the one-year anniversary of the Supreme Court's Bostock decision, the impacts of the pandemic, and the uptick in anti-Asian hate crimes.

The 2021 EEOC-Fair Employment Practices Agencies (FEPA) Virtual Training Conference included presentations on the topics of Black hair and workplace discrimination law as well as racial equity. In addition, in recognition of the significant relationship between the EEOC and our tribal partners, the EEOC conducted a virtual Tribal Employment Rights Organization (TERO) conference in fiscal year 2021. A key presentation addressed efforts to develop a comprehensive and expansive model law covering various aspects of employment including anti-discrimination protections that could be adopted separately by each sovereign tribal nation. To close the first day of the TERO conference as well as the final day of the FEPA Conference, all attendees of both conferences were invited to join together for a special live event as a way of coming together as colleagues, tribal and non-tribal, all with the common goal of addressing and eliminating unlawful employment discrimination.

To continue to strengthen our relationships with Tribal Nations and Native American communities, the EEOC partnered with OFCCP and the DOJ to present an interagency webinar to reach urban American Indian centers and tribal colleges and universities. The webinar shared agency efforts to support the Executive Order on Advancing Racial Equity, tribal consultation updates, and recent litigation to protect the rights of Native Americans. Participants included EEOC Chair Charlotte A. Burrows, DOJ United States Assistant Attorney General for Civil Rights Kristen Clarke, and OFCCP Deputy Director of Policy Maya Raghu.

- **Enforcing Pay Equity**

Although it has been more than 50 years since the Equal Pay Act and Title VII of the Civil Rights Act of 1964 outlawed pay discrimination, significant and unjustified pay disparities persist. While not all pay disparities result from discrimination, discrimination in promotions as well as other discriminatory factors such as race and gender segregation in jobs and assignments contribute to the problem. As significant pay disparities continue to persist for women and at an even greater level for many women of color, Native American and indigenous women, immigrants, and women with disabilities, the EEOC focuses on compensation systems and practices that discriminate on any protected basis, including sex.

In fiscal year 2021, the agency continued its important role of enforcing the prohibitions against pay discrimination through both outreach and enforcement, including litigation. For example, the EEOC resolved a systemic investigation alleging African Americans were discriminated against in wages based on race for over $200,000, which included monetary relief for the charging party and a class, and targeted equitable relief designed to change the discriminatory wage practices and prevent future discrimination.

When efforts to combat wage discrimination through voluntary compliance fail, litigation may be necessary to remedy and prevent future discrimination. In fiscal year 2021, the EEOC resolved 10 compensation discrimination cases for approximately $1 million benefiting 51 individuals. The EEOC's significant wage resolutions in fiscal year 2021 included:

- *EEOC v. AH 2007 Management, LP d/b/a Courtyard Monroe Airport, and Aimbridge Hospitality, LLC d/b/a Aimbridge Hospitality, LLC*, No. 19-cv-914 (W.D. La. Feb. 3, 2021), alleging the operators of a hotel paid female guest services representatives (GSRs) less than a male GSR for performing equal work, and reduced the wages of the male GSR after a female GSR complained of the pay disparity, resolved for $400,000 for 25 claimants;
- *EEOC v. Enoch Pratt Free Library*, No. 8:17-cv-02860 (D. Md. Dec. 23, 2020), alleging that a public library system paid five female librarian supervisors less than a male supervisor performing substantially equal work, resolved for $194,748 following a 5-day bench trial in which the court ruled in favor of the EEOC;
- *EEOC v. Dell*, No. 3:20-cv-03131 (N.D. Tex. Sept. 2, 2021), alleging that a technology company failed to pay a female IT analyst the same salary as a male IT analyst, resolved for $75,000; and
- *EEOC v. First Metropolitan Financial Services*, Inc., No. 1:18-cv-177 (N.D. Miss. March 18, 2021), alleging that a provider of consumer loans paid the charging party and other female branch managers less than males in the same job, resolved for $100,000 for the charging party and another individual.

In fiscal year 2021, the EEOC also filed five cases involving compensation discrimination, four of which were based on sex and one based on race.

The EEOC is equally committed to the enforcement of equal pay laws in federal sector employment. During fiscal year 2021, the EEOC received 23 requests for hearings involving compensation discrimination. During this same time period, the EEOC received 154 appeals that alleged wage or compensation discrimination. The agency continues to monitor the filing of federal sector hearing requests and appeals associated with equal pay claims to identify potential systemic violations.

Enforcement, outreach, education, and training are essential tools that the EEOC uses to prevent and remedy pay discrimination. During fiscal year 2021, there were 124 outreach sessions with 24,248 individuals involving issues related to equal pay.

- **Addressing the Civil Rights Impact of the Pandemic**

The COVID-19 pandemic has proved to be not only a public health crisis and economic crisis, but also a civil rights crisis. COVID-19 and its economic fallout has disproportionately impacted people of color, women, older workers, individuals with disabilities, and other vulnerable workers. The EEOC has actively participated in the federal response to the pandemic from the start, including by providing ongoing information and technical assistance to covered entities, stakeholders, and members of the public regarding the application of federal employment discrimination laws to pandemic-related employment decisions.

On April 28, 2021, the EEOC convened a public hearing to explore the many ways in which the COVID-19 pandemic has impacted civil rights in the workplace. The Commission heard testimony from a wide range of experts about how the pandemic is harming already vulnerable populations. Hearing witnesses addressed how the pandemic has affected low- and middle-wage workers, Asian Americans, older workers, caregivers, migrant and farmworkers, workers of color, tribal communities, and Sikh workers. The Commission also heard from witnesses about the decline in workforce participation for women and individuals with disabilities, as well as the challenges employers are facing due to COVID-19, including how to keep the in-person workforce safe, whether to mandate vaccinations, and potential online harassment in the virtual environment.

The COVID-19 pandemic has had an enormous impact on and created challenges for both workers and employers. In the face of the difficult circumstances caused by the COVID-19 pandemic, the EEOC has prioritized conducting outreach and educating the public of rights and responsibilities under federal workplace discrimination laws. The EEOC has also provided workers, employers, and other stakeholders updated information about the interplay of COVID-19 and federal EEO laws. During fiscal year 2021, there were 313 outreach events related to COVID-19, reaching 39,827 individuals.

In addition, the Commission has provided numerous resources to assist employers and employees as they grapple with pandemic-related issues, including:

- *What You Should Know about COVID-19 and the ADA, Rehabilitation Act, and Other EEO Laws.* The EEOC made several updates to this technical assistance document including adding a new section to the document on vaccinations and periodically adapting the vaccination materials to address new concerns.
- The agency additionally updated a 2009 technical assistance document *Pandemic Preparedness in the Workplace and the Americans with Disabilities Act* to reflect changes arising during the pandemic.
- To specifically address the needs and concerns of workers, the agency also published a *COVID-19 Fact Sheet for Employees* explaining the ADA rights of individuals during a pandemic.

In March 2021, the Commission unanimously approved a resolution condemning the recent violence, harassment, and acts of bias against Asian Americans and Pacific Islanders in the United States that arose in response to COVID-19. The resolution reaffirmed the Commission's commitment to combat all forms of harassment and discrimination against members of AAPI communities, and to ensure equal opportunity, inclusion, and dignity for all in the workplace.

The EEOC also participated in the Federal COVID-19 and Civil Rights Interagency Work Group hosted by the Department of Justice. During these quarterly meetings, federal agencies shared resources and efforts involving AAPI and COVID-19 related hate and discrimination. The discussion focused on efforts to combat related harassment and discrimination in schools, churches, public transportation, hospitals, public accommodations, small businesses, prisons, and workplaces.

In response to the spike in violence and harassment against Asian American and Pacific Islander communities related to COVID-19 misconceptions and bias, the EEOC facilitated the exchange of information across district offices, coordinated community engagement efforts with other federal agencies, and collaborated with the White House's Initiative on Asian Americans, Native Hawaiians, and Pacific Islanders (WHIAANHPI). Through regional roundtables, technical assistance programs, resource-sharing, virtual convenings, and webinars, the EEOC worked with the WHIAANHPI Regional Network to address specific community needs. Of note, the EEOC hosted a series of listening sessions with AAPI stakeholders across the country on national origin discrimination and harassment in the workplace. The EEOC also recently updated its website to add translated materials in seven additional languages, including Chinese, Korean, Tagalog, and Vietnamese, to better reach individuals with limited English proficiency.

In fiscal year 2021, the EEOC also partnered with the Department of Justice Civil Rights Division to support an online event held with the National Asian/Pacific Islander American Chamber of Commerce and Entrepreneurship and the International Leadership Foundation. The program focused on the federal response to the alarming increase in violence against Asian Americans and Pacific Islanders and support of [President Biden's *Memorandum Condemning and Combating Racism, Xenophobia, and Intolerance Against Asian Americans and Pacific Islanders in the United States*]. Additional partners included the Taiwanese Chambers of Commerce of North America, Rhode Island Association of Chinese Americans, New York Young Entrepreneur Roundtable, the Mandarin Business Association, Kissimmee American Chinese Center, and the Global Federation of Chinese Businesswomen. Representatives from over 200 Asian American-owned small businesses and Asian American business organizations attended.

LOOKING FORWARD

The EEOC will continue to embrace and leverage technology to improve our services and upgrade the agency's ability to deliver greater access to data, enhance transparency, and augment the use of modern analytics to drive decision making. Although the pandemic and work-at-home restrictions brought hardships and new challenges, during the pandemic, the agency also realized many lasting benefits by adopting communication and collaboration technologies, as well as flexible infrastructures — such as Microsoft Teams and Windows Virtual Desktop — which will increase cross-collaboration and related efficiencies in the future. Perhaps most significantly, network investments for headquarters, VPN, and Microsoft Office 365/Azure connections enabled the EEOC to support maximum telework due to the COVID-19 pandemic.

In the future, our agency will continue to focus on efforts to modernize our digital systems to build upon our ability to prevent and remedy unlawful employment discrimination, as well as other technological enhancements necessary to improve the quality of services to the public.

The EEOC's strategic plan requires that it "complete a shared vision and develop high-level plans with resource requirements for modernizing [our] charge/case management systems." To meet this goal, the agency engaged with the Technology Modernization Fund (TMF), and in late fiscal year 2019, the TMF Board awarded the agency $4 million in two $2 million tranches. EEOC received the first tranche of TMF funds in early 2020, which provided the EEOC with the resources needed to modernize the legacy technology and data structure of its 20-year-old Integrated Mission System (IMS) over a two-year period. Over the last 18 months, the agency developed an end-to-end charge management solution for the agency's private sector processes and the accompanying processes for its Fair Employment Practices agency (FEPA) partners. The private-sector component of the modernized system, now branded as the Agency Records Center (ARC), will be deployed early in fiscal year 2022 to 145 EEOC and FEPA offices. Following this deployment, development of ARC will shift to modernizing federal sector and litigation services.

By the end of fiscal year 2021, the EEOC had nearly completed its transition to the new Enterprise Infrastructure Solutions (EIS) contract. Migration to this contract is expected to reduce the agency's annual data communications costs by nearly 50%, which are being re-invested in increased bandwidth and will enable agency personnel to communicate with voice, video, and data from any location.

In fiscal year 2021, the agency also deployed a new, user-friendly Freedom of Information Act (FOIA) solution to receive and respond to FOIA requests. The new system is compatible with the agency's other digital systems and provides an automated workflow tailored to each FOIA process function, enabling staff to respond to FOIA requests with increased efficiency.

In fiscal year 2021, the agency completed its multi-year implementation of Microsoft Teams Phone Services to replace and consolidate legacy telephone systems in use at headquarters and field offices. The agency-wide savings on phone services of over $1 million annually will be reinvested in other needed technology services. In addition to the cost savings, the introduction of Microsoft Teams has significantly improved the agency's collaboration and communications capabilities.

The EEOC will continue to strengthen, strategically target, and develop outreach programs to engage with our many different audiences including underserved communities, advocacy groups, and small businesses. Education, training, and technical assistance are cost effective tools that promote understanding and voluntary compliance with EEO laws. One of the primary goals of outreach is to prevent employment discrimination before it occurs. The agency will continue to adapt to the challenges of conducting effective outreach during the pandemic. Some audiences can access programs virtually, while for others, such as underserved communities, it is more difficult. The EEOC will continue to use a variety of methods, depending on the specific audience, to conduct outreach, education, and training.

FINANCIAL HIGHLIGHTS

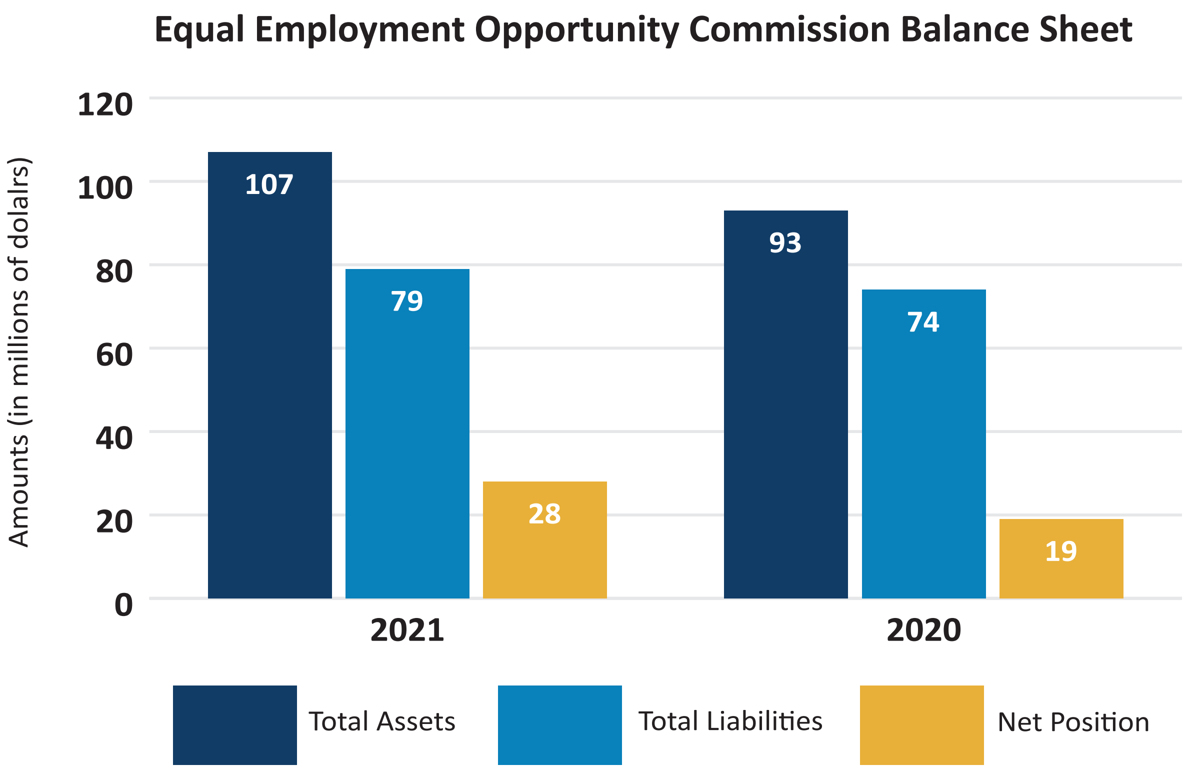
The Office of Management and Budget (OMB) Circular Number A-136 Revised dated August 10, 2021 was used as guidance for the preparation of the accompanying financial statements. EEOC prepares four financial statements: Consolidated Balance Sheets, Consolidated Statements of Net Cost, Consolidated Statements of Changes in Net Position, and the Combined Statements of Budgetary Resources.

Consolidated Balance Sheets

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

EEOC's balance sheets show total assets of $107 million at the end of fiscal year 2021 and $93 million at the end of fiscal year 2020.

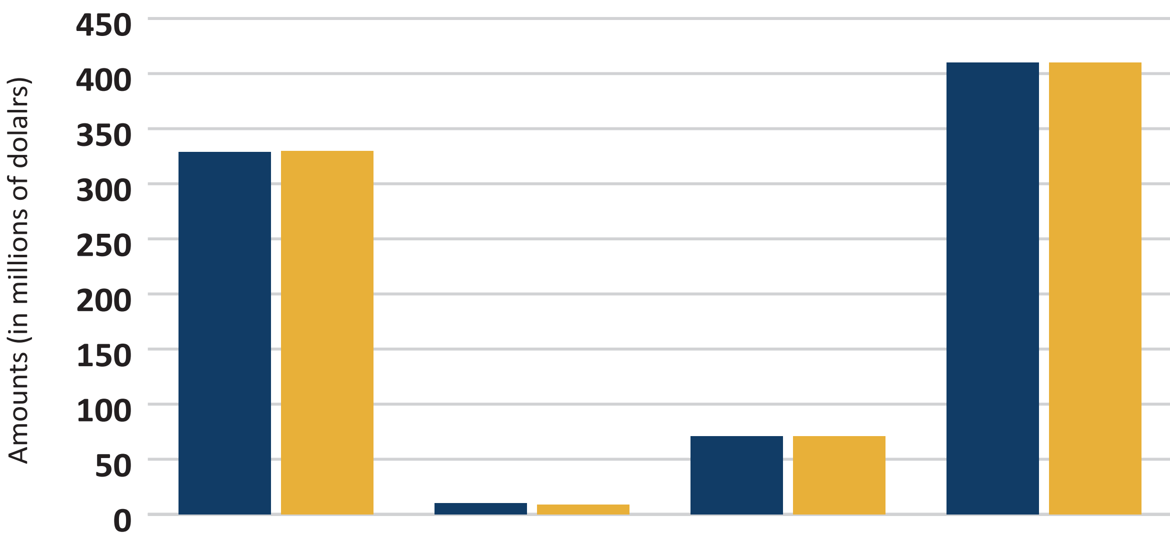
The Net Position is the sum of Unexpended Appropriations and the Cumulative Results of Operations. EEOC's Net Position on its Balance Sheets and the Statement of Changes in Net Position show $28 million at the end of fiscal year 2021 and $19 million at the end of fiscal year 2020.



Consolidated Statements of Net Cost

The Consolidated Statements of Net Cost presents the gross cost incurred by all programs less any revenue earned. Overall, in fiscal year 2021, EEOC's Consolidated Statements of Net Cost of Operations has not changed.

Consolidated Statements of Net Cost of Operations by Major Programs



	Private Sector	Outreach	Federal Sector	Total Net Cost of Operations
2021	$329	$10	$71	$410
2020	$330	$9	$71	$410

Consolidated Statement of Changes in Net Position

The Consolidated Statement of Changes in Net Position represent the change in the net position for fiscal year 2021 and fiscal year 2020 from the cost of operations, appropriations received and used, and the financing of some costs by other government agencies. The Consolidated Statement of Changes in Net Position increased by $9 million for fiscal year 2021 when compared to fiscal year 2020.

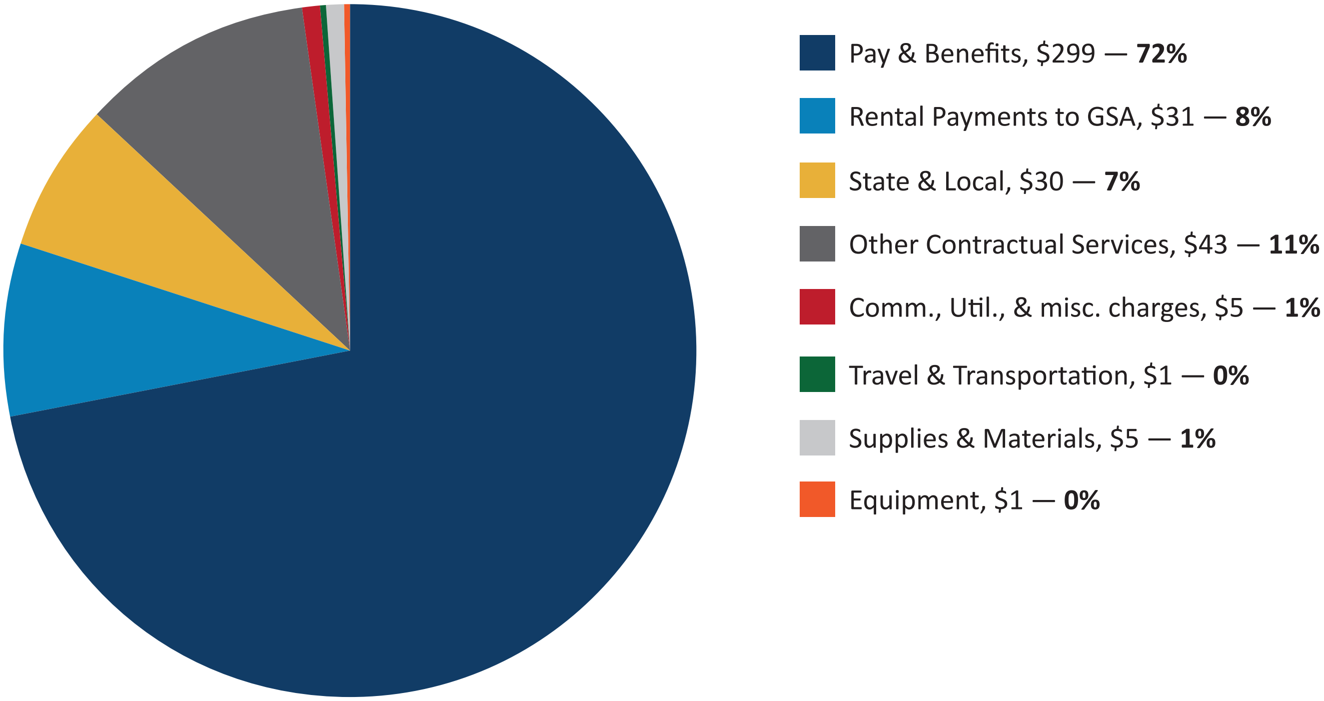
Combined Statements of Budgetary Resources

The Combined Statements of Budgetary Resources shows how budgetary resources were made available and the status of those resources at the end of the fiscal year. In fiscal year 2021, EEOC received $404.5 million in budget authority. EEOC ended fiscal year 2021 with an increase by $14 million in total budgetary resources. Resources not available for new obligations at the end of the year totaled $7 million and $3 million in fiscal year 2021 and fiscal year 2020, respectively. The unobligated balance not available represents expired budget authority from prior years that are no longer available for new obligations.

Use of Resources

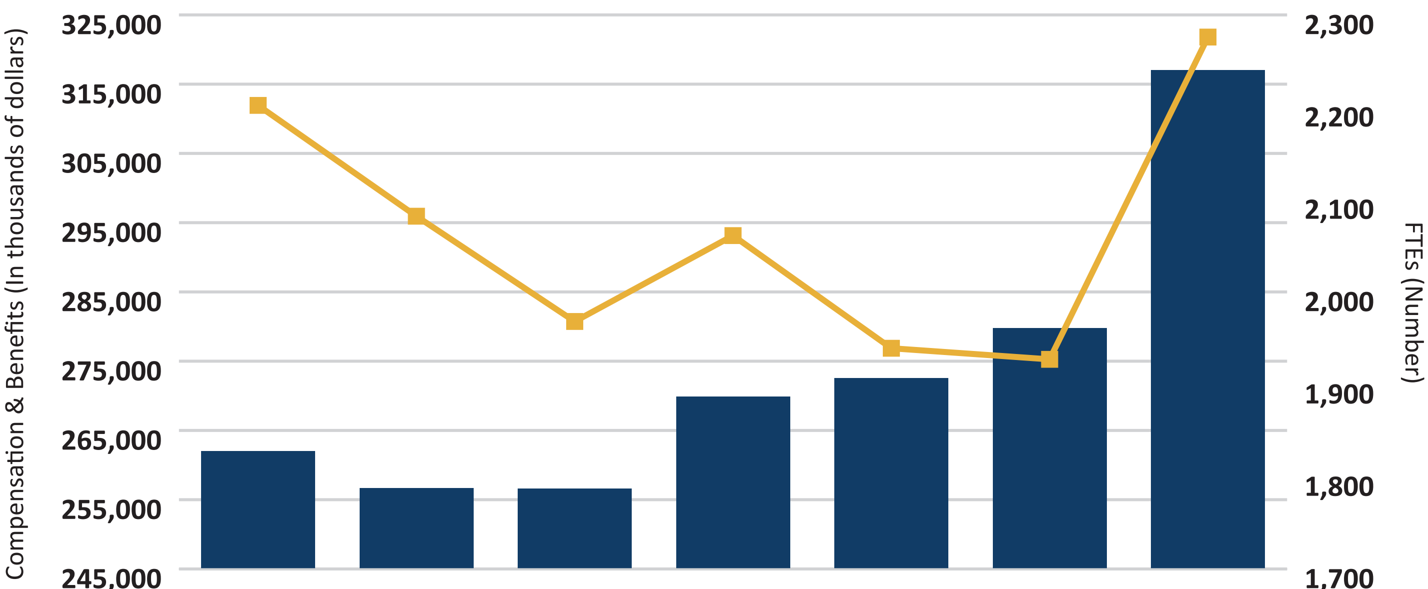
The pie chart displays EEOC's fiscal year 2021 use of resources by major object class. The chart below shows costs actually incurred by EEOC. It does not include costs incurred by others on behalf of EEOC. The chart shows that Pay and Benefits, State & Local, Rent to GSA, and Other Contractual Services consumed 98% of EEOC's resources, and other expenses (e.g., communication, utilities & miscellaneous charges, travel & transportation, supplies & materials, etc.) consumed 2% of EEOC's resources for fiscal year 2021.

FY 2021 by Major Object Class (in millions)



The dual axis chart below depicts EEOC's compensation and benefits versus full-time equivalents (FTE) over the past six years. EEOC ended fiscal year fiscal year 2021 with 1,927 FTEs, a net decrease of 12, or 1%, below fiscal year 2020.

Compensation & Benefits (C&B) and FTEs for FY 2016 through FY 2022



	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Request
C&B	$262,000	$258,361	$256,596	$269,907	$272,513	$279,759	$317,015
FTEs	2,202	2,082	1,968	2,061	1,939	1,927	2,276

Limitations of the Financial Statements

The principal financial statements are prepared to report the financial position, financial condition, and results of operations, pursuant to the requirements of 31 U.S.C. § 3515(b). The statements are prepared from records of Federal entities in accordance with Federal generally accepted accounting principles (GAAP) and the formats prescribed by OMB. Reports used to monitor and control budgetary resources are prepared from the same records. Users of the statements are advised that the statements are for a component of the U.S. Government.

MANAGEMENT ASSURANCES

The EEOC's internal controls and financial management systems were sound during fiscal year 2021. Based on the actions taken, and considering the agency's controls environment as a whole, the agency concludes that during fiscal year 2021, its financial and internal controls systems were in compliance with the Federal Managers' Financial Integrity Act (FMFIA). The controls systems were effective; agency resources were used consistent with the agency's mission; the resources were used in compliance with applicable laws and regulations; and there was minimal potential for waste, fraud, and mismanagement of the resources.

There were eight financial non-conformances that were not fully corrected during the fiscal year. These financial non-conformances were identified in several audit reports prepared by the Office of Inspector General (OIG) through Harper, Rains, Knight & Company (HRK): Performance Audit Report on the EEOC Charge Card Program Fiscal Years 2019 and 2020 (OIG Report No. 2020-004-AOIG), March 24, 2021; Audit of Equal Employment Opportunity Commission's Fiscal Year 2020 Financial Statements (OIG Report No. 2020-001-AOIG), November 12, 2020; Audit of Equal Employment Opportunity Commission's Fiscal Year 2019 Financial Statements (OIG Report No. 2019-002-AOIG), November 19, 2019; Performance Audit of EEOC's Compliance with the Digital Accountability and Transparency Act of 2014 (DATA Act) (OIG Report No. 2019-003-AOIG), November 8, 2019; and Performance Audit Report on the EEOC Charge Card Program Fiscal Years 2018 and 2017 (OIG Report No. 2018-007-AOIG), May 31, 2019. The agency will continue its work to resolve these matters during fiscal year 2022.

The EEOC's management is also responsible for establishing and maintaining effective internal control over financial reporting, which includes safeguarding of assets and compliance with applicable laws and regulations. The EEOC conducted its assessment of the effectiveness of the agency's internal control over financial reporting in accordance with OMB Circular A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control*. Based on the results of this evaluation, the EEOC can provide reasonable assurance that internal control over financial reporting as of September 30, 2021 was operating effectively and no material weaknesses were found in the design or operation of the agency's internal controls over financial reporting.

Charlotte A. Burrows
Chair
November 15, 2021

LEGAL COMPLIANCE

EEOC maintained controls for and compliance with the Anti-Deficiency Act, the Debt Collection Act of 1996, as amended, the Prompt Payment Act, Federal Information Security Modernization Act of 2014, Pay and Allowance System for Civilian Employees, the Government Charge Card Abuse Prevention Act of 2012, Federal Civil Penalties Inflation Adjustment Act of 1990, as amended, the Digital Accountability and Transparency Act of 2014 (DATA Act), and the Fraud Reduction and Data Analytics Act of 2015.

FINANCIAL SECTION

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

Office of Inspector General

November 12, 2021

MEMORANDUM

TO: Charlotte A. Burrows
Chair

JOYCE T. WILLOUGHBY

Digitally signed by JOYCE T. WILLOUGHBY
Date: 2021.11.12 10:01:20 -05'00'

FROM: Joyce T. Willoughby
Acting Inspector General

SUBJECT: Audit of the U.S. Equal Employment Opportunity Commission's Fiscal Year 2021 Financial Statements (OIG Report No. 2021-003-AOIG)

The Office of Inspector General (OIG) contracted with the independent certified public accounting firm of Harper, Rains, Knight & Company, P.A. (HRK) to audit the financial statements of the U.S. Equal Employment Opportunity Commission (EEOC) for fiscal years ended September 30, 2021 and 2020, and to report on EEOC's internal controls over financial reporting, and compliance with laws, regulations, contracts, and other matters. The contract required that HRK conduct the audit in accordance with U.S. generally accepted government auditing standards (GAGAS) contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) audit guidance, and U.S. Government Accountability Office/Council of the Inspectors General on Integrity and Efficiency *Financial Audit Manual*.

In its audit of EEOC, HRK reported:

- EEOC's financial statements present fairly, in all material respects, EEOC's financial position as of September 30, 2021 and 2020, and its net cost of operations, changes in net position, and budgetary resources for the fiscal years then ended, in accordance with accounting principles generally accepted in the United States of America;

- they did not identify any deficiencies in internal control over financial reporting that they consider to be material weaknesses. However, material weaknesses may exist that have not been identified; and

- their tests for compliance with selected provisions of applicable laws, regulations, and contracts disclosed no instances of noncompliance for fiscal year 2021 that would be reportable under GAGAS or OMB Bulletin 21-04, *Audit Requirements for Federal Financial Statements*.

HRK is responsible for the opinion on the attached auditor's report dated November 12, 2021, and the conclusions expressed in the report. We do not express an opinion on EEOC's financial statements or conclusions on internal control over financial reporting or on compliance and other matters. EEOC management was given the opportunity to review the draft report and to provide comments.

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

Attachment

cc:

Brett Brenner
Bryan Burnett
Elizabeth Fox-Solomon
Delner Franklin-Thomas
Carlton Hadden
Chris Haffer
Jacinta Ma
Carol Miaskoff
Mona Papillon
Cynthia Pierre
Kevin Richardson

Harper, Rains, Knight & Company

Independent Auditors' Report

Inspector General
U.S. Equal Employment Opportunity Commission

Report on the Financial Statements

We have audited the accompanying financial statements of the U.S. Equal Employment Opportunity Commission (EEOC). EEOC 's financial statements comprise the consolidated balance sheets as of September 30, 2021 and 2020, and the related consolidated statements of net cost and changes in net position, and combined statements of budgetary resources, for the fiscal years then ended; and the related notes to the financial statements.

Management's Responsibility

EEOC's management is responsible for (1) the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; (2) preparing, measuring, and presenting the Required Supplementary Information (RSI) in accordance with accounting principles generally accepted in the United States of America; (3) preparing and presenting other information included in documents containing the audited financial statements and auditors' report, and ensuring the consistency of that information with the audited financial statements and the RSI; and (4) maintaining effective internal control over financial reporting, including the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin 21-04, *Audit Requirements for Federal Financial Statements*. Those standards and OMB require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. We are also responsible for applying certain limited procedures to RSI and other information included with the financial statements.

An audit of financial statements involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the auditors' assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal

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Auditors' Responsibility (continued)

control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit of financial statements also involves evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. Our audits also included performing such other procedures as we considered necessary in the circumstances.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Financial Statements

In our opinion, EEOC's financial statements present fairly, in all material respects, EEOC's financial position as of September 30, 2021 and 2020, and its net cost of operations, changes in net position, and budgetary resources for the fiscal years then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America issued by the Federal Accounting Standards Advisory Board (FASAB) require that the information in the Management's Discussion and Analysis be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by FASAB who considers this information to be an essential part of financial reporting for placing the financial statements in appropriate operational, economic, or historical context. We have applied certain limited procedures to the RSI in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the RSI and comparing the information for consistency with management's responses to the auditors' inquiries, the financial statements, and other knowledge we obtained during the audit of the financial statements, in order to report omissions or material departures from FASAB guidelines, if any, identified by these limited procedures. We did not audit and we do not express an opinion or provide any assurance on the RSI because the limited procedures we applied do not provide sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on EEOC's financial statements. The information in the Message from the Chair and Other Information section contains a wide range of information, some of which is not directly related to the financial statements. This information is presented for purposes of additional analysis and is not a required part of the financial statements or the RSI. We read the other information included with the financial statements in order to identify material inconsistencies, if any, with the audited financial statements.

Other Information (continued)

The Message from the Chair and Other Information section has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

Internal Control over Financial Reporting

In planning and performing our audit of EEOC's financial statements as of and for the year ended September 30, 2021, in accordance with U.S. generally accepted government auditing standards and OMB Bulletin 21-04, *Audit Requirements for Federal Financial Statements*, we considered the entity's internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we do not express an opinion on the entity's internal control over financial reporting. We did not consider all internal controls relevant to operating objectives as broadly established by the Federal Managers' Financial Integrity Act of 1982, such as those controls relevant to preparing performance information and ensuring efficient operations. We are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether EEOC's financial statements are free from material misstatement, we performed tests of its compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements, noncompliance with which would have a direct and material effect on the financial statements. We performed our tests of compliance in accordance with U.S. generally accepted government auditing standards and OMB Bulletin 21-04, *Audit Requirements for Federal Financial Statements*. We caution that noncompliance may occur and not be detected by these tests.

Inspector General
U.S. Equal Employment Opportunity Commission (continued)

Compliance and Other Matters (continued)

Management is responsible for complying with laws, regulations, contracts, and grant agreements applicable to the entity.

Our responsibility is to test compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements applicable to the entity that have a direct effect on the determination of material amounts and disclosures in the entity's financial statements and perform certain other limited procedures. Accordingly, we did not test compliance with all laws, regulations, contracts, and grant agreements applicable to EEOC.

Our tests for compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements disclosed no instances of noncompliance for fiscal year 2021 that would be reportable under U.S. generally accepted government auditing standards or OMB Bulletin 21-04, *Audit Requirements for Federal Financial Statements*. However, the objective of our tests was not to provide an opinion on compliance with laws, regulations, contracts, and grant agreements applicable to EEOC. Accordingly, we do not express such an opinion.

***Purpose of the Other Reporting Required by* Government Auditing Standards**

The purpose of the communication described in the Other Reporting Required by *Government Auditing Standards* section is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of EEOC's internal control or compliance. These reports are an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Harper, Rains, Knight & Company, P.A.
November 12, 2021
Washington, DC

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

CONSOLIDATED BALANCE SHEETS

As of September 30, 2021 and 2020

(in dollars)

	2021	2020
ASSETS:		
Intragovernmental:		
Fund Balance With Treasury (Note 2)	103,066,772	91,449,595
Total Intragovernmental	**$ 103,066,772**	**$ 91,449,595**
With the Public:		
Accounts Receivable, Net (Note 3)	81,963	71,266
General Property, Plant, and Equipment, Net (Note 4)	4,073,548	1,898,372
Advances and Prepayments	8,131	9,832
Total with the Public	**$ 4,163,642**	**$ 1,979,470**
TOTAL ASSETS	**$ 107,230,414**	**$ 93,429,065**
LIABILITIES (Note 6):		
Intragovernmental		
Accounts Payable (Note 6)	724,277	724,837
Employer Payroll Taxes (Note 6)	3,556,098	3,039,863
Workers' Compensation liability (Note 6)	1,579,021	1,810,941
Other Liability (Note 6)	2,000,000	2,000,000
Total Intragovernmental	**$ 7,859,396**	**$ 7,575,641**
With the Public:		
Accounts Payable (Note 6)	26,177,113	23,880,456
Future workers' compensation liability (Note 6)	9,033,685	9,101,847
Accrued Payroll (Note 6)	12,491,811	10,583,857
Employer Payroll Taxes (Note 6)	490,537	422,713
Accrued Annual Leave (Note 6)	23,045,735	22,740,618
Deferred Revenue (Note 6)	19,000	-
Amounts collected for restitution (Note 6)	46,678	56,563
Total with the Public	**$ 71,304,799**	**$ 66,786,054**
TOTAL LIABILITIES	**$ 79,164,195**	**$ 74,361,695**

The accompanying notes are an integral part of these statements.

CONSOLIDATED BALANCE SHEETS, Continued

		2021		2020
NET POSITION:				
Funds from Dedicated Collections:				
Unexpended Appropriations		-		-
Cumulative Results of Operations (Note 11)		4,064,097		4,159,967
Total Net Position — Funds from Dedicated Collections	**$**	**4,064,097**	**$**	**4,159,967**
Funds other than those from Dedicated Collections				
Unexpended Appropriations — Other Funds		53,504,921		46,591,170
Cumulative Results of Operations — Other Funds		(29,502,799)		(31,683,767)
Total Net Position All other Funds		24,002,122		14,907,403
TOTAL NET POSITION	**$**	**28,066,219**	**$**	**19,067,370**
TOTAL LIABILITIES AND NET POSITION	**$**	**107,230,414**	**$**	**93,429,065**

The accompanying notes are an integral part of these statements.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

CONSOLIDATED STATEMENTS OF NET COST

For the Years Ended September 30, 2021 and 2020

(in dollars)

		2021		2020
COMBATTING EMPLOYMENT DISCRIMINATION THROUGH STRATEGIC LAW ENFORCEMENT				
Private Sector:				
Enforcement	$	186,992,060	$	189,387,418
Mediation		26,224,496		26,187,839
Litigation		72,592,446		73,629,578
Intake information		7,221,238		5,693,009
State and Local		35,934,784		35,364,836
Total Program Costs — Private Sector		**328,965,024**		330,262,680
Revenue		-		-
Net Cost — Private sector		**328,965,024**		330,262,680
Federal Sector:				
Hearings		39,146,712		38,712,458
Appeals		21,663,714		20,874,365
Mediation		380,065		379,534
Oversight		11,401,955		11,386,017
Total Program Cost — Federal Sector		**72,592,446**		71,352,374
Revenue		(1,040,484)		-
Net Cost — Federal Sector		**71,551,962**		71,352,374
Total Private, Federal Sector				
Program Costs		401,557,470		401,615,054
Revenue		(1,040,484)		-
Net Cost, Private, Federal Sector		**400,516,986**		401,615,054
PREVENTING EMPLOYMENT DISCRIMINATION THROUGH EDUCATION AND OUTREACH				
Outreach				
Fee Based		3,626,908		3,643,314
Non-Fee Based		9,501,629		8,349,746
Total Program Cost — Outreach		**13,128,537**		11,993,060
Revenue		(3,531,038)		(3,155,210)
Net Cost Outreach		**9,597,499**		8,837,850

The accompanying notes are an integral part of these statements.

CONSOLIDATED STATEMENTS OF NET COST, Continued

	2021	2020
Total, All Programs		
Program Cost	414,686,007	413,608,114
Revenue (Note 8)	(4,571,522)	(3,155,210)
Net Cost of Operations	**$ 410,114,485**	$ 410,452,904

The accompanying notes are an integral part of these statements.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

CONSOLIDATED STATEMENTS OF CHANGES IN NET POSITION

For the Years Ended September 30, 2021 and 2020

(in dollars)

	2021		
	Funds from Dedicated Collections (Consolidated Totals) (Note 11)	**All Other Funds (Consolidated Totals)**	**Consolidated Total**
Unexpended Appropriations:			
Beginning Balances	$ -	$ 46,591,170	$ 46,591,170
Beginning Balances, as Adjusted	-	46,591,170	46,591,170
Budgetary Financing Sources:			
Appropriations Received (Note 9)	-	404,490,000	404,490,000
Other Adjustments	-	(1,844,744)	(1,884,744)
Appropriations Used	-	(395,691,505)	(395,691,505)
Total Budgetary Financing Resources	-	6,913,751	6,913,751
Total Unexpended Appropriations	-	53,504,921	53,504,921
Cumulative Results of Operations:			
Beginning Balances	4,159,967	(31,683,767)	(27,523,800)
Beginning Balances, as Adjusted	4,159,967	(31,683,767)	(27,523,800)
Budgetary Financing Sources:			
Appropriations Used	-	395,691,505	395,691,505
Imputed Financing (Note 12)	-	16,508,078	16,508,078
Total Financing Sources	-	412,199,583	412,199,583
Net Cost of Operations	(95,870)	(410,018,615)	(410,114,485)
Net Change	(95,870)	2,180,968	2,085,098
Cumulative Results of Operations	4,064,097	(29,502,799)	(25,438,702)
Net Position	$ 4,064,097	$ 24,002,122	$ 28,066,219

The accompanying notes are an integral part of these statements.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

CONSOLIDATED STATEMENTS OF CHANGES IN NET POSITION

For the Years Ended September 30, 2021 and 2020

(in dollars)

	2020		
	Funds from Dedicated Collections (Consolidated Totals) (Note 11)	**All Other Funds (Consolidated Totals)**	**Consolidated Total**
Unexpended Appropriations:			
Beginning Balances	$ -	$ 50,487,648	$ 50,487,648
Beginning Balances, as Adjusted	-	50,487,648	50,487,648
Budgetary Financing Sources:			
Appropriations Received (Note 9)	-	389,500,000	389,500,000
Other Adjustments	-	(3,124,183)	(3,124,183)
Appropriations Used		(390,272,295)	(390,272,295)
Total Budgetary Financing Resources	-	(3,896,478)	(3,896,478)
Total Unexpended Appropriations	-	46,591,170	46,591,170
Cumulative Results of Operations:			
Beginning Balances	4,648,071	(31,179,145)	(26,531,074)
Beginning Balances, as Adjusted	4,648,071	(31,179,145)	(26,531,074)
Budgetary Financing Sources:			
Appropriations Used	-	390,272,295	390,272,295
Imputed Financing (Note 12)	-	19,187,883	19,187,883
Total Financing Sources	-	409,460,178	409,460,178
Net Cost of Operations	(488,104)	(409,964,800)	(410,452,904)
Net Change	(488,104)	(504,622)	(992,726)
Cumulative Results of Operations	4,159,967	(31,683,767)	(27,523,800)
Net Position	$ 4,159,967	$ 14,907,403	$ 19,067,370

The accompanying notes are an integral part of these statements.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

COMBINED STATEMENTS OF BUDGETARY RESOURCES

For the Years Ended September 30, 2021 and 2020

(in dollars)

		2021		2020
Budgetary resources				
Unobligated balance from prior year budget authority, net (discretionary & mandatory)	$	10,792,329	$	11,407,404
Appropriations (discretionary and mandatory)		404,490,000		391,500,000
Spending authority from offsetting collections (discretionary and mandatory)		4,590,521		3,155,210
Total budgetary resources	$	419,872,850	$	406,062,614
Status of budgetary resources				
New obligations and upward adjustments (total) (Note 10)	$	408,365,850	$	398,101,696
Unobligated balance, end of year				
Apportioned, unexpired accounts		4,769,412		4,492,878
Unapportioned, unexpired accounts		-		562
Unexpired unobligated balance, end of year		4,769,412		4,493,440
Expired unobligated balance, end of year (Note 2)		6,737,588		3,467,478
Unobligated balance, end of year (total)		11,507,000		7,960,918
Total budgetary resources	$	419,872,850	$	406,062,614
Budget Authority and Outlays, Net:				
Outlays, net (total) (discretionary and mandatory)		390,978,193		388,532,983
Agency outlays, net (discretionary and mandatory)	$	390,978,193	$	388,532,982

The accompanying notes are an integral part of these statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Years Ended September 30, 2021 and September 30, 2020

(In Dollars)

(1) Summary of Significant Accounting Policies

(a) Reporting Entity

The Equal Employment Opportunity Commission (EEOC or Commission) was created by Title VII of the Civil Rights Act of 1964, Pub. L. No. 88-352, 78 Stat. 241 (codified at 42 U.S.C. § 2000e, et seq.) and became operational on July 2, 1965. In 1972, the EEOC was granted litigation authority. Equal Employment Opportunity Act of 1972, Pub. L. No. 92-261, 86 Stat. 103 (codified at 42 U.S.C. § 2000e-5). Title VII requires that the Commission be composed of five members, not more than three of whom shall be of the same political party. The members are appointed by the President of the United States of America, by and with the consent of the Senate, for a term of five years. The President designates one member to serve as Chair and one member to serve as Vice Chair. The General Counsel is also appointed by the President, by and with the advice and consent of the Senate for a term of four years.

In addition, based on the EEOC Education Technical Assistance and Training Revolving Fund Act of 1992, Pub. L. No. 102-411, 106 Stat. 2102 (codified at 42 U.S.C. § 2000e-4(k)), the EEOC is authorized to charge and receive fees to offset the costs of education, technical assistance, and training.

The Commission enforces federal laws that prohibit employment discrimination based on race, color, religion, sex (including pregnancy, sexual orientation, and gender identity), national origin, disability, age (40 or older), and genetic information (such as family medical history). These laws cover federal agencies, most private employers, state, and local governments (excluding elected or appointed officials), employment agencies, most labor organizations and joint labor-management apprenticeship programs of covered employers and labor organizations. The Commission carries out its mission through investigation, conciliation, litigation, coordination, regulation, education, policy research, and provision of technical assistance.

(b) Basis of Presentation

These financial statements have been prepared to report the consolidated financial position, net cost of operations, changes in net position, and combined budgetary resources of the EEOC, as required by the Chief Financial Officers' Act of 1990 (CFO Act), expanded by the Government Management Reform Act of 1994. These financial statements have been prepared from the books and records of the EEOC in accordance with generally accepted accounting principles (GAAP) promulgated by the Federal Accounting Standards Advisory Board (FASAB) and the form and content requirements of the Office of Management and Budget (OMB) Circular No. A-136, *Financial Reporting Requirements*, revised August 10, 2021.

All intra-agency transactions and balances have been eliminated, except in the Statement of Budgetary Resources, which is presented on a combined basis, as required by OMB Circular No. A-136. These consolidated financial statements present proprietary information while other financial reports also prepared by the EEOC pursuant to OMB directives are used to monitor and control the EEOC's use of federal budgetary resources.

(c) Basis of Accounting

The Commission uses Oracle Federal Financials (OFF), which has funds control, management accounting, and a financial reporting system designed specifically for federal agencies.

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

(d) Revenues, User Fees, and Financing Sources

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

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

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

(e) Assets and Liabilities

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

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

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

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

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

(g) *Accounts Receivable*

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

Intra-governmental accounts receivable represents amounts due from other federal agencies. Amounts due from federal agencies are considered fully collectible.

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

(h) *Property, Plant, and Equipment*

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

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

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

Depreciation or amortization of equipment is computed using the straight-line method over the asset's useful life ranging from five to 15 years. Copiers are depreciated using a five-year life. Computer hardware is depreciated over 10 to 12 years. Capitalized software is amortized over a useful life of two years. Amortization of capitalized software begins on the date it is put in service, is purchased, or when the module or component has been successfully tested if developed internally. Leasehold improvements are amortized over the remaining life of the lease.

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

(i) Advances and Prepaid Expenses

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

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

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

Annual leave, compensatory time, and other leave time, along with related payroll costs, are accrued when earned, reduced when taken, and adjusted for changes in compensation rates. Sick leave accrues when earned and is expensed when taken. Sick leave is also used in annuity calculations to increase years of service in 30-day blocks.

(k) Retirement Benefits

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

For employees under FERS, the EEOC contributes an amount equal to 1% of the employee's basic pay to the tax deferred thrift savings plan and matches employee contributions up to an additional 5% of pay. FERS and CSRS employees can contribute $19,500 of their gross earnings to the plan for the calendar year 2021 and $19,500 in calendar year 2020. However, CSRS employees receive no matching agency contribution. There is also an additional $6,500 that can be contributed as a "catch-up" contribution for those 50 years of age or older for the calendar year 2021 and $6,500 for the calendar year 2020.

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

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

(l) Workers' Compensation

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

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

(m) Contingent Liabilities

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

(n) Amounts Collected for Restitution

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

(o) Cost Allocations to Programs

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

(p) Unexpended Appropriations

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

(q) Income Taxes

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

(r) Use of Estimates

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

(2) Fund Balance with Treasury

The Department of the Treasury (Treasury) performs cash management activities for all federal agencies. The net activity represents Fund Balance with Treasury. The Fund Balance with Treasury represents the right of the EEOC to draw down funds from Treasury for expenses and liabilities.

The status of the fund balance is classified as unobligated available, unobligated unavailable, or obligated. Unobligated funds, depending on budget authority, are generally available for new obligations in the current year of operations. Unavailable unobligated balances are not available to fund new obligations because they are expired, they must be re-apportioned, or their use has been permanently or temporarily restricted. The obligated, but not yet disbursed, balance represents amounts designated for payment of goods and services ordered but not yet received, or goods and services received, but for which payment has not yet been made.

Annual appropriation balances returned to Treasury along with balances classified as miscellaneous receipts are not included in EEOC's fund balance presented on its balance sheet. For the period ended September 30, 2021 and September 30, 2020, funds in the cancelling appropriation of $1,884,744 and $3,124,183, respectively, have been returned to Treasury. As of September 30, 2021, and September 30, 2020, miscellaneous receipts of $285,217 and $65,468, respectively, were returned to Treasury (NOTE: The amounts for the closed accounts are only returned to Treasury at the end of the fiscal year as of September 30, 2021).

Note: Total Fund with Treasury will not equal Total Status of Fund Balance with Treasury until the 4th Quarter. This is due to anticipated reimbursement posted to budgetary accounts but not the cash.

The Status of Fund Balance with Treasury as of September 30, 2021 and September 30, 2020 consists of the following:

		FY 2021		FY 2020
Status of Funds				
Unobligated balance:				
Available	$	4,769,412	$	4,493,440
Unavailable		*7,375,588		*4,105,478
Obligated balance not yet disbursed		90,875,094		82,794,114
Non-budgetary Fund Balance with Treasury		46,678		56,563
Totals	**$**	**103,066,772**	**$**	**91,449,595**

*Note: The status of funds unavailable include the Revolving Fund sequestration of $638,000 for fiscal year 2021 and fiscal year 2020.

(3) Accounts Receivable, Net

Intragovernmental accounts receivable due from federal agencies arise from the sale of services to other federal agencies. This sale of services generally reduces the duplication of effort within the federal government resulting in a lower cost of federal programs and services.

Accounts receivable due to the EEOC from the public arise from payroll debts and Revolving Fund education, training, and technical assistance provided to public and private entities or to state and local agencies. An analysis of accounts receivable is performed to determine collectability and an appropriate allowance for uncollectible receivables is recorded. Accounts receivable as of September 30, 2021 and September 30, 2020 are as follows:

	FY 2021		FY 2020	
Intragovernmental:				
Accounts receivable	$	-	$	-
Totals	**$**	**-**	**$**	**-**
With the public:				
Accounts receivable	$	213,666	$	204,277
Allowance for uncollectible receivables		(131,703)		(133,011)
Totals	**$**	**81,963**	**$**	**71,266**

(4) Property, Plant and Equipment, Net

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

As of September 30, 2021	**Cost**	**Accumulated Depreciation**	**Net Book Value**
Equipment	$ 120,284	$ (120,284)	$ -
Capital leases	72,340	(72,340)	-
Internal use software	2,036,508	(2,036,508)	-
Leasehold improvements	11,240,209	(11,240,209)	-
Internal use software in development	4,073,548	-	4,073,548
Totals	**$ 17,542,889**	**$ (13,469,341)**	**$ 4,073,548**

As of September 30, 2020	**Cost**	**Accumulated Depreciation**	**Net Book Value**
Equipment	$ 120,284	$ (120,284)	$ -
Capital leases	72,340	(72,340)	-
Internal use software	2,036,508	(2,036,508)	-
Leasehold improvements	11,240,209	(11,240,209)	-
Internal use software in development	1,898,372	-	1,898,372
Totals	**$ 15,367,713**	**$ (13,469,341)**	**$ 1,898,372**

(5) Non-Entity Assets

The EEOC has $0 of net receivables to collect on behalf of the U.S. Treasury as of September 30, 2021, and $0 of net receivables to collect on behalf of the U.S. Treasury as of September 30, 2020.

(6) Liabilities Not Covered by Budgetary Resources

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

Liabilities not covered by budgetary resources as of September 30, 2021 and September 30, 2020 are shown in the following table:

		FY 2021		FY 2020
Intragovernmental:				
Workers' compensation liability	$	1,579,021	$	1,810,941
Total Intragovernmental		1,579,021		1,810,941
Accrued annual leave		23,045,735		22,740,618
Deferred revenue		19,000		-
Future worker's compensation liability		9,033,685		9,101,847
Total liabilities not covered by budgetary resources		33,677,441		33,653,406
Total liabilities covered by budgetary resources		45,440,076		40,651,726
Total liabilities not requiring budgetary resources		46,678		56,563
Total liabilities	**$**	**79,164,195**	**$**	**74,361,695**

Liabilities Analysis

Current and non-current liabilities as of September 30, 2021 are shown in the following table:

		Current		Non-Current		Totals
Intragovernmental:						
Accounts payable	$	724,277	$	-	$	724,277
Employer payroll taxes		3,556,098		-		3,556,098
Other Liability		2,000,000		-		2,000,000
Total Intragovernmental		6,280,375		-		6,280,375
Accounts payable		26,177,353		-		26,177,353
Accrued payroll		12,491,811		-		12,491,811
Employer payroll taxes		490,537		-		490,537
Liabilities covered by budgetary resources	$	45,440,076		-	$	45,440,076
Intragovernmental:						
Workers' compensation liability		1,579,021		-		1,579,021
Total Intragovernmental		1,579,021		-		1,579,021

	Current	Non-Current	Totals
Accrued annual leave	23,045,735	-	23,045,735
Deferred revenue	19,000	-	19,000
Future workers' compensation liability	-	9,033,685	9,033,685
Liabilities not covered by budgetary resources	24,643,756	9,033,685	33,677,441
Amounts collected for restitution	46,678	-	46,678
Liabilities not requiring budgetary resources	46,678	-	46,678
Total liabilities	**$ 70,130,510**	**$ 9,033,685**	**$ 79,164,195**

Current and non-current liabilities as of September 30, 2020 are shown in the following table:

	Current	Non-Current	Totals
Intragovernmental:			
Accounts payable	$ 724,837	$ -	$ 724,837
Employer payroll taxes	3,039,863	-	3,039,863
Other	2,000,000	-	2,000,000
Total Intragovernmental	5,764,700	-	5,764,700
Accounts payable	23,880,456	-	23,880,456
Accrued payroll	10,583,857	-	10,583,857
Employer payroll taxes	422,713	-	422,713
Liabilities covered by budgetary resources	$ 40,651,726	-	$ 40,651,726
Intragovernmental:			
Workers' compensation liability	1,810,941	-	1,810,941
Total Intragovernmental	1,810,941	-	1,810,941
Accrued annual leave	22,740,618	-	22,740,618
Future workers' compensation liability	-	9,101,847	9,101,847
Liabilities not covered by budgetary resources	24,551,559	9,101,847	33,653,406
Amounts collected for restitution	56,563	-	56,563
Liabilities not requiring budgetary resources	56,563	-	56,563
Total liabilities	**$ 65,259,848**	**$ 9,101,847**	**$ 74,361,695**

(7) Leases

Operating leases

The EEOC has several cancelable operating leases with the General Services Administration (GSA) for office space which do not have a stated expiration. The GSA charges rent that is intended to approximate commercial rental rates. Rental expenses for operating leases as of September 30, 2021 and 2020 are $31,296,154 and $31,423,271 respectively. The EEOC does not have any noncancelable operating leases with terms longer than one year.

(8) Earned Revenue

The EEOC charges fees to offset costs for education, training, and technical assistance. These services are provided to other federal agencies, the public, and State and local agencies, as requested. In the chart below, the fees from services do not include intra-agency transactions. The Commission also has a small amount of reimbursable revenue from contracts with other federal agencies to provide on-site personnel. Revenue earned by the Commission as of September 30, 2021 and September 30, 2020 is as follows:

	FY 2021	FY 2020
Reimbursable revenue	$ 1,040,484	$ -
Fees from services	3,531,038	3,155,210
Total Revenue	**$ 4,571,522**	**$ 3,155,210**

(9) Appropriations Received

Warrants received by the Commission as of September 30, 2021 and September 30, 2020 are:

	FY 2021	FY 2020
Warrants/Continuing Resolution received	**$ 404,490,000**	**$ 389,500,000**

The EEOC received no warrant reductions for fiscal years 2021 and 2020.

(10) New Obligations and Upward Adjustments

Direct and Reimbursable new obligations, by apportionment category, incurred as of September 30, 2021 and September 30, 2020 are:

	FY 2021	FY 2020
Obligations		
Direct A	$ 371,845,702	$ 362,076,658
Direct B	31,817,522	32,248,730
Subtotal Direct Obligations	403,663,224	394,325,388
Reimbursable — Direct A	4,702,626	3,776,308
Total New Obligations and Upward Adjustments	**$ 408,365,850**	**$ 398,101,696**

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

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

	FY 2021	FY 2020
ASSETS		
Fund balance with Treasury	$ 4,134,529	$ 4,215,200
Accounts receivable (net of allowance)	-	-
Advances and prepaid expenses	2,279	2,279
TOTAL ASSETS	**$ 4,136,808**	**$ 4,217,479**
LIABILITIES		
Accounts payable	53,711	57,512
Deferred revenue	19,000	-
TOTAL LIABILITIES	**$ 72,711**	**$ 57,512**
NET POSITION		
Cumulative results of operations	4,064,097	4,159,967
TOTAL LIABILITIES AND NET POSITION	**$ 4,136,808**	**$ 4,217,479**
Statements of Net Cost		
Program Costs	3,626,908	3,643,314
Revenue	(3,531,038)	(3,155,210)
Net Cost (Revenue)	**$ 95,870**	**$ 488,104**

(12) Imputed Financing

OPM pays pension and other future retirement benefits on behalf of federal agencies for federal employees. OPM provides rates for recording the estimated cost of pension and other future retirement benefits paid by OPM on behalf of federal agencies. The costs of these benefits are reflected as imputed financing in the consolidated financial statements. Expenses of the EEOC paid or to be paid by other federal agencies on September 30, 2021 and September 30, 2020 consisted of:

	FY 2021	FY 2020
Judgment Fund	$ 12,268	$ 3,353,677
Office of Personnel Management:		
Pension expenses	2,747,743	2,525,796
Federal employees health benefits (FEHB)	13,712,047	13,272,747
Federal employees group life insurance (FEGLI)	36,020	35,663
Total Imputed Financing	**$ 16,508,078**	**$ 19,187,883**

(13) Undelivered Orders at the End of the Period

The undelivered orders at the end of the period consists of the following:

	FY 2021	FY 2020
Unpaid:		
Federal	$ 17,534,802	$ 15,593,811
Non-Federal	29,900,216	28,548,577
Paid:		
Federal	1,228,767	1,228,767
Non-Federal	(1,220,636)	(1,218,935)
Totals	**$ 47,443,149**	**$ 44,152,220**

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

The Statement of Budgetary Resources has been prepared to agree with the amounts shown in the Budget of the United States Government. The Budget of the United States Government containing the actual amounts for fiscal year 2021 has not been published at the time these financial statements were prepared. The Budget of the United States actual fiscal year 2020 amounts was released in May 2021. The fiscal year 2023 Budget of the United States Government with the actual amounts for the current year (fiscal year 2021) will be available at a later date.

The table below presents the fiscal year 2020 differences between the amounts reported in the fiscal year 2020 SBR and the actual fiscal year 2020 amounts reported in the fiscal year 2022 Budget of the U.S. Government for SBR lines Total Budgetary Resources; New Obligations and Upward Adjustments; Outlays, Net.

FY 2020 (Dollars in millions)	Budgetary Resources	Obligations Incurred	Distributed Offsetting receipts	Net Outlays
Combined Statement of Budgetary Resources	$ 406	$ 398	-	$ 389
Revolving Fund Collections and Obligations	$ (3)	$ (4)	-	$ (1)
Carry-forwards and Recoveries	$ (11)	$ (5)	-	-
Rounding Differences	-	$ 1	-	-
Budget of U.S. Government	$ 392	$ 390	-	$ 388

(15) Reconciliation of Net Cost to Net Outlays

The Budget and Accrual Reconciliation (BAR), requires a reconciliation of the net outlays on a budgetary basis and the net cost of operations during the period.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

BUDGET AND ACCRUAL RECONCILIATION

As of September 30, 2021 and 2020

(dollars)

	FY 2021		
	Intra-governmental	**With the public**	**Total FY 2021**
NET COST	**$ 127,955,734**	**$ 282,158,751**	**$ 410,114,485**
Components of Net Cost That Are Not Part of Net Outlays			
Other	-	1,870,060	1,870,060
Increase/(decrease) in assets:			
Accounts receivable	-	10,696	10,696
Other assets	-	(1,701)	(1,701)
Increase/(decrease) in liabilities:			
Accounts payable	1,001	(2,297,338)	(2,296,337)
Salaries and benefits	(516,236)	(1,975,778)	(2,492,014)
Other liabilities (Unfunded leave, Unfunded FECA, Actuarial FECA)	-	281,081	281,081
Other financing sources:			
Federal employee retirement benefit costs paid by OPM and imputed to the agency	(16,508,078)	-	(16,508,078)
Transfers out (in) without reimbursement	-	-	-
Other imputed financing	-	-	-
Total Components of Net Cost That Are Not Part of Net Outlays	**(17,023,313)**	**(2,112,980)**	**(19,136,293)**
Total Components of Net Outlays That Are Not Part of Net Cost	-	-	-
Other Temporary Timing Differences			
NET OUTLAYS	**$ 110,932,421**	**$ 280,045,771**	**$ 390,978,193**

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

BUDGET AND ACCRUAL RECONCILIATION

For the Years Ended September 30, 2021 and 2020
(dollars)

	FY 2020		
	Intra-governmental	**With the public**	**Total FY 2020**
NET COST	**$ 127,751,813**	**$ 282,701,091**	**$ 410,452,904**
Components of Net Cost That Are Not Part of Net Outlays			
Other	-	1,898,372	1,898,372
Increase/(decrease) in assets:			
Accounts receivable	-	(33,384)	(33,384)
Other assets	-	(1,888)	(1,888)
Increase/(decrease) in liabilities:			
Accounts payable	(40,242)	113,782	73,540
Salaries and benefits	(645,693)	(1,653,409)	(2,299,102)
Other liabilities (Unfunded leave, Unfunded FECA, Actuarial FECA)	-	(2,369,577)	(2,369,577)
Other financing sources:			
Federal employee retirement benefit costs paid by OPM and imputed to the agency	(19,187,883)	-	(19,187,883)
Transfers out (in) without reimbursement	-	-	-
Other imputed financing	-	-	-
Total Components of Net Cost That Are Not Part of Net Outlays	**(19,873,818)**	**(2,046,104)**	**(21,919,922)**
Total Components of Net Outlays That Are Not Part of Net Cost	-	-	-
Other Temporary Timing Differences			
NET COST	**$ 107,877,995**	**$ 280,654,987**	**$ 388,532,982**

OTHER INFORMATION

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

Office of Inspector General

BACKGROUND

In accordance with the Reports Consolidation Act of 2000, the Office of Inspector General (OIG) is reporting what it has determined are the most serious management and performance challenges facing the U.S. Equal Employment Opportunity Commission (EEOC). This annual statement provides our views on these challenges facing EEOC for inclusion in the EEOC's FY 2021 Annual Financial Report.

MANAGEMENT CHALLENGES

The EEOC must meet several challenges in FY 2022 in order to continue progress with its mission to "prevent and remedy unlawful employment discrimination and advance equal opportunity for all in the workplace." The OIG presents three challenges for the Agency to focus on in FY 2022: (1) COVID-19 and Related Issues; (2) Mission-Critical Data System Modernization; and (3) Digital Records Management. We determined that the areas of COVID-19 and Related Issues, Mission-Critical Data System Modernization, and Digital Records Management, cited in the OIG's 2020 Management Challenges statement, remain key challenges. We note that the COVID-19 hurdles evolved over the past year and require both nimble and far-sighted senior leadership efforts. In addition, while Strategic Performance Management is not on the list this year, it remains important.

COVID-19 and Related Issues

The EEOC continues to accomplish its mission during the COVID-19 pandemic. In FY 2021, EEOC served its stakeholders through technological enhancements, employee commitment, and senior management leadership. The EEOC has operated in an almost entirely virtual environment since March 2020. As we stated in last year's management challenges, the pandemic created unprecedented challenges for the EEOC in managing its workload and providing services to the public. For FY 2022, the Agency faces several issues surrounding increased workforce presence in EEOC office spaces. Lessons learned during the pandemic also open avenues for assessing cost savings opportunities.

The OIG interviewed several District office directors, as well as senior Agency management from the Office of Field Programs (OFP). We reviewed the Agency Proposed Approach to Agency-Wide Post-Reentry Personnel Policies and Work Environment. Agency senior management stated they consulted with internal and external stakeholders regarding this issue. Both District office directors and OFP senior management stated that increased workforce presence in the field offices is one of the most pressing issues the EEOC faces. We suggest that EEOC ensure all relevant parties and stakeholders continue to be consulted about the timing and extent of the increased workforce and public presence in field office buildings, to include discussions regarding regional conditions due to COVID-19.

According to EEOC post-reentry plans, the Agency COVID-19 Coordination Team will consider the EEOC's mission and priorities related to employee reentry and long-term workforce decisions.

1

The plan calls for input from stakeholders and employees to determine the proper balance of remote work, telework, and flexible work schedule options (e.g., Maxiflex and alternative work schedules). It is OIG's opinion that the Agency should continue to update its planning for increased staff presence in EEOC field office locations, taking into account federal guidelines and the changing COVID-19 environment.
The pandemic also presents an opportunity to examine cost savings. The EEOC should formally assess how its offices could be redesigned in light of lessons learned during the COVID-19 pandemic (e.g., continued use of flexible work arrangements to reduce occupancy levels).

The Agency must maintain a reasonable balance that addresses stakeholders' needs and staff safety. Continued evaluation and review of the differing pandemic environments in EEOC office locations is vital so that the Agency can safely navigate the pandemic while maintaining or improving mission-critical work levels.

Mission-Critical Data System Modernization
Mission-Critical Data System Modernization continues as a challenge as the Agency replaces its 20-year-old charge/case management application, Integrated Mission System (IMS). During FY 2020, the General Services Administration (GSA), which manages the Technology Modernization Fund (TMF), awarded the EEOC four million-dollars of reimbursable funding (in two million-dollar increments over two years) to assist with modernization efforts.[1] The EEOC received its first installment of two million-dollars in January 2020, and according to the Office of Information Technology's (OIT) senior management, the Agency has obligated over 90 percent of the first installment payment.

Over the past 18 months, the modernization team defined and developed an end-to-end charge management solution Agency Records Center (ARC) to enable the Agency's Private Sector processes and the accompanying processes for its 92 Fair Employment Practices Agency (FEPA) partners.

ARC seeks to:

- Transform the way the EEOC serves the public by making its charge, complaint, and appeal processes transparent and providing information to its constituents online and on demand.

- Streamline processes to improve customer service for constituents, including individuals, state and local partners, Federal agencies, businesses, and other organizations.

- Improve productivity by providing agency employees secure access to the tools, data, and documents they require.

OIT senior management stated that ARC's go-live date for private sector processes (EEOC and FEPAs) is the first quarter of FY 2022. Once the private sector rollout is complete, EEOC plans to request the final two million-dollars. These funds will be used to conduct additional work on the ARC for the Agency's litigation and federal hearings and appeals programs.

[1] The Technology Modernization Fund is an innovative funding vehicle authorized by the Modernization Government Technology Act of 2017, that gives agencies additional ways to deliver services to the American public more quickly, better secure sensitive systems and data, and use taxpayer dollars more efficiently.

2

While the OIT has demonstrated success regarding modernization, Agency leadership must continue to provide OIT with the necessary resources and support in removing technological barriers. This modernization will enable the Agency to carry out its mission better.

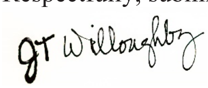
Digital Records Management

Digital records management continues as a challenge because the Agency lacks an effective and efficient program due to inadequate staffing. Without a well-functioning records management program, the Agency cannot accomplish many tasks, including management of its information, vital Freedom of Information Act program activities, and meeting digital records requirements.

Records management responsibility resides in the Office of Legal Counsel (OLC). There are no full-time managers or staff in the records management program. Despite scarce resources in FY 2021, OLC developed guidance for new commissioners regarding records retention and revised OLC's office records control schedule. OLC's goals for improving records management included hiring additional records management staff, updating the records control schedules for program offices, and progressing in discontinuing maintenance of paper files. However, work on these tasks stagnated because of inadequate staffing.

Agency leadership needs to provide the appropriate resources and focus to ensure that the records management program has strong leadership and staffing to implement critical program improvements in a timely manner.

Respectfully, submitted:



Joyce T. Willoughby, Esq
Acting Inspector General

Summary of Financial Statement Audit and Management Assurances

Summary of Financial Statement Audit

Audit Opinion	Unmodified				
Restatement	No				
Material Weakness	Beginning Balance	New	Resolved	Consolidated	Ending Balance
Lack of Sufficient Control over Financial Management	0	0	0	0	0

Summary of Management Assurances

Effectiveness of Internal Control over Financial Reporting (FMFIA § 2)						
Statement of Assurance	Unmodified					
Material Weakness	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
Lack of Sufficient Control over Financial Reporting	0	0	0	0	0	0

Effectiveness of Internal Control over Operations (FMFIA § 2)						
Statement of Assurance	Unmodified					
Material Weakness	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
Lack of Sufficient Control over Operations	0	0	0	0	0	0

Conformance with Federal Financial Management System Requirements (FMFIA § 4)						
Statement of Assurance	Federal Systems conform, except for instances of non-conformance					
Non-Conformances	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
Lack of Sufficient Control over Conformances	0	0	0	0	0	0

Compliance with Section 803(a) of the Federal Financial Management Improvement Act (FFMIA)		
	Agency	**Auditor**
1. Federal Financial Management System Requirements	N/A	N/A
2. Applicable Federal Accounting Standards	N/A	N/A
3. USSGL at Transaction Level	N/A	N/A

Payment Integrity

Payment Integrity means ensuring payments made to people on behalf of the government are managed correctly to minimize the likelihood of errors.

The Improper Payments Information Act (IPIA) of 2002, as amended by the Improper Payments Elimination and Recovery Act (IPERA) of 2010 and the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA), requires agencies to review all programs and activities and identify those which may be susceptible to significant erroneous payments. For all programs and activities in 2021 which the risk of improper payments is significant, agencies are required to estimate the annual amount of improper payments in the susceptible programs and activities. OMB requires agencies to report the results of their improper payment activities. The IPERIA also requires conducting payment recapture audits.

OMB Circular No. A-136 and Appendix C of OMB Circular No. A-123 requires detailed information related to EEOC's Improper Payments Elimination Program, which is provided below. Prior to the passing of IPERIA, which further amended IPIA, agencies were not required to review intra-governmental transactions or payments to employees. IPERIA now requires agencies to review payments to employees as well as government charge card transactions. Intra-governmental transactions remain the lone exception to IPERIA requirements. Therefore, management identified commercial payments, employee payments and government charge cards as potential areas to test pending results of an IPAI risk assessment.

OMB Memorandum M-18-20 prescribes guidance for agencies to use in implementing IPERA. OMB guidance defines "significant improper payments," for fiscal year 2021 reporting, as those in any particular program or activity that exceed both 1.5% of program outlays and $10 million of all program or activity payments made during the fiscal year ($100 million regardless of the improper payment percentage of total program outlay). In addition, the OMB guidance addresses implementing payment recapture audits, for programs and activities that expend $1 million or more annually, provided it is cost-effective to do so. In accordance with the OMB guidance, the EEOC reviewed its programs and activities and determined that none of the agency's programs or activities was susceptible to making significant improper payments and that the implementation of a payment recapture audit would not be cost-effective.

The EEOC is cross-serviced by the Department of Interior, Interior Business Center (DOI/IBC) for accounting system support and accounts payable processing. As a result, the implementation of the Do Not Pay initiative is a joint responsibility between the EEOC and IBC. Prior to making a new contract award, the EEOC checks the System for Award Management (SAM) and the Excluded Parties List System (EPLS) for a match. If there is not a match, the EEOC submits a new vendor request to IBC. The IBC Vendor Maintenance Team verifies EEOC's entire new employee and Non-Federal Vendor requests against the Department of Treasury's Do Not Pay (DNP) database using the DNP portal on-line search capability. If the IBC Vendor Maintenance Team finds a positive match, they notify the EEOC. The EEOC reviews the match, determines if the payment is proper, and reports the result.

Based on the results of fiscal year 2020 transaction testing applied to a sample of payments, consideration of risk factors, and reliance on the internal controls in place over the payment process, the EEOC determined that none of its programs and activities are susceptible to significant improper payments at or above the threshold levels set by OMB.

Due to the impacts of COVID-19 and since the level of risk of improper payment is determined to be low and baseline estimates have been established, the EEOC is only required to conduct a formal risk assessment every three years unless the program experiences a significant change. The EEOC will conduct a follow up review in fiscal year 2023 of its programs and activities to determine whether the programs have experienced any unexpected changes. If so, the EEOC will re-assess the programs' risk susceptibility and make a statistically valid estimate of improper payments for any programs determined to be susceptible to significant erroneous payments.

Recapture of Improper Payments

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

The EEOC has determined that implementing a payment recapture audit program for vendor payments is not cost-effective. That is, the benefits or recaptured amounts associated with implementing and overseeing the program do not exceed the costs, including staff time and resources, or payments to a contractor for implementation, of a payment recapture audit program. In making this determination, the EEOC considered its low improper payment rate based on testing conducted in fiscal year 2021. The EEOC also considered whether sophisticated software and other cost-efficient matching techniques could be used to identify significant overpayments at a low cost per overpayment, or if labor intensive manual reviews of paper documentation would be required. In addition, the EEOC considered the availability of tools to efficiently perform the payment recapture audit and minimize payment recapture audit costs and determined such tools to be not cost effective.

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

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

FRAUD REDUCTION REPORT

The agency made efforts to comply with the Fraud Reduction and Data Analytics Act of 2015 in fiscal year 2021.

In fiscal year 2021, EEOC reviewed internal controls to ensure the integrity of its programs, operations, and business and financial systems. This effort increased focus on risk management. The agency conducted a risk assessment to identify risks and fraud vulnerabilities. The agency followed a risk-based approach in assessing agency risks and developed controls to mitigate those risks. The assessment includes the identification of risk; determining the likelihood and impact of the risk; developing risk mitigation strategies; and communicating the risk information to related offices. Through adequate risk management, the agency concentrated its efforts towards key points of failure to reduce or eliminate the potential for disruptive events. The agency also assessed the agency's internal controls environment to ensure reasonable assurance that the objectives of the agency will be achieved.

This risk management process provides a logical and systematic method for establishing the context for risks, as well as identifying, analyzing, evaluating, responding to, monitoring, and communicating them in a way that will allow EEOC to make decisions and respond to risks and opportunities as they arise. This approach promotes comparability and a shared understanding of information and analysis in the decision process and facilitates a better risk management structure and risk-informed decision making.

The EEOC continues its proactive approach to addressing fraud risk. Fraud risk was addressed in the development of the annual assurance statement. The internal control review addressed the five Components and 17 Principles of Internal Control. Program reviews are conducted annually.

Functional Area	Supervisory Review	Risk Assessment
Travel	Day-to-day controls established and maintained by management to ensure travel system integrity and compliance with federal travel regulations	Non-compliance with federal regulations
Contracts and Simplified Acquisition (Purchase Card Program)	Purchase orders and competitive contracts authorized by headquarters contracting officer. Contracting officer approves procurement authorization for purchase card holders.	Employees assigned as approving officials are not authorized
Disbursements, Receivable, General Ledger, Payables and Debt Collections, Payroll Processing	Financial reports are consistently reviewed and analyzed.	Amount recorded in the general ledger are not accurate and valid.

Functional Area	Supervisory Review	Risk Assessment
Records, Space, Property, Vehicle, Printing and Mail Management	Requests are required to be reviewed and authorized.	Requests not properly authorized

The financial and administrative controls are listed below:

Financial and administrative controls were implemented to ensure alignment to meet these goals. EEOC strategies to developing an Enterprise Risk Management (ERM) capability provide a structured, disciplined, and consistent approach to risk management that facilitates risk-informed decision making throughout the organization. ERM provides EEOC with a means to align strategy, processes, people, technology, and knowledge for the purpose of evaluating and managing uncertainties in executing our unique mission. A consistent approach to risk management across the organization is essential for EEOC leaders to identify and prioritize strategic risks and to prioritize competing requirements in a very restricted funding environment. ERM enables EEOC to more effectively manage enterprise level risks, and it enables agency leaders to consider the trade-offs between risks, associated costs, and value creation across the organization.

The EEOC's ERM handbook explains the ERM process, provides actionable steps necessary for a mature and successful ERM program, and provides a path to achieve mature and sustainable ERM activities and processes over time. By consistent use of ERM across the organization, EEOC will be positioned to identify and assess risks within the current environment through a systematic process which evaluates the impact of risk on EEOC's ability to more actively achieve its mission and objectives within the limited resources available.

CIVIL MONETARY PENALTY ADJUSTMENT FOR INFLATION

On May 26, 2021, the Commission, in accordance with the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, published a final rule in the *Federal Register* to adjust for inflation the civil monetary penalty for violation of the requirement that every employer, employment agency, labor organization, and joint-labor management committee controlling an apprenticeship or other training program post notices describing the pertinent nondiscrimination provisions of Title VII of the Civil Rights Act, the ADA, and GINA.

Statutory Authority	Penalty	Year Enacted	Latest Year of Adjustment	Current Penalty Level	Sub-Agency/ Bureau/ /Unit	Locations for Penalty Update Details
Sections 711(a) & (b) of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §§ 2000e-10(a) & (b); 29 C.F.R. §§ 1601.30(a) & (b)	Willful Violation	1964	2021	$576	N/A	86 *Federal Register* 28263 (May 26, 2021)

APPENDICES

APPENDIX A: ORGANIZATION AND LAWS ENFORCED

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

- **Title VII of the Civil Rights Act of 1964**, which prohibits employment discrimination on the basis of race, color, religion, sex, and national origin.
- **Pregnancy Discrimination Act of 1978**, which amended Title VII to clarify that discrimination on the basis of pregnancy, childbirth, or related medical conditions constitutes sex discrimination and requires employers to treat female employees affected by pregnancy, childbirth, or related medical conditions the same as other employees who are similar in their ability or inability to work, with respect to terms and conditions of employment, including leave and benefits.
- **Equal Pay Act of 1963 (included in the Fair Labor Standards Act)**, which prohibits sex discrimination in the payment of wages to men and women performing substantially equal work in the same establishment.
- **Age Discrimination in Employment Act of 1967**, which protects workers 40 and older from discrimination in hiring, discharge, pay, promotions, fringe benefits, and other aspects of employment. ADEA also prohibits the termination of pension contributions and accruals on account of age and governs early retirement incentive plans and other aspects of benefits planning and integration for older workers.
- **Title I and Title V of the Americans with Disabilities Act of 1990, as amended by the Americans with Disabilities Act Amendments Act of 2008**, which prohibits employment discrimination by private sector respondents and state and local governments against qualified individuals on the basis of disability.
- **Section 501 of the Rehabilitation Act of 1973**, which prohibits employment discrimination on the basis of disability in the federal government.
- **Title II of the Genetic Information Nondiscrimination Act of 2008**, which prohibits employment discrimination on the basis of an applicant's or employee's genetic information (including family medical history), generally prohibits acquisition of genetic information from applicants and employees and requires covered entities to keep such information confidential, with limited exceptions.
- **Lilly Ledbetter Fair Pay Act of 2009**, which overturned adverse Supreme Court precedent and restored the EEOC's long-held position on the timeliness of pay discrimination claims.

The Office of Field Programs, the Office of General Counsel, and 53 field offices, ensure that EEOC effectively enforces the statutory, regulatory, policy, and program responsibilities of the agency through a variety of resolution methods tailored to each charge. Staff is responsible for achieving a wide range of objectives, which focus on the quality, timeliness, and appropriateness of individual, multiple victim, and systemic charges and for securing relief for victims of discrimination in accordance with Commission policies. The responsibility for conducting hearings of federal sector complaints also is performed in field offices under the oversight of the Office of Field Programs. Staff also counsel individuals about their rights under the laws enforced by the EEOC and conduct outreach and technical assistance programs. The Office of General Counsel conducts litigation in federal district courts and in the federal courts of appeals.

Additionally, through the Office of Field Program's State, Local, and Tribal Program, the EEOC maintains work sharing agreements and a contract services program with 91 state and local Fair Employment Practices Agencies (FEPAs) for the purpose of coordinating the investigation of charges dual-filed under state and local laws and federal law, as appropriate. The EEOC partners with more than 61 Tribal Employment Rights Offices (TEROs) to promote equal employment opportunity on or near American Indian reservations.

The Office of Legal Counsel develops policy guidance, provides technical assistance to employers and employees, and coordinates with other agencies and stakeholders regarding the statutes and regulations enforced by the EEOC. The Office of Legal Counsel also fulfills in-house counsel functions by conducting or coordinating defensive litigation on behalf of the agency and advising agency officials on administrative issues such as contracts, disclosures, ethics, fiscal law, and recordkeeping matters. OLC also provides in-house counsel services related to the Freedom of Information Act and Records Management.

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

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

APPENDIX B: BIOGRAPHIES OF THE CHAIR, VICE CHAIR, AND COMMISSIONERS

Charlotte A. Burrows, Chair

Charlotte A. Burrows was designated by President Biden as Chair of the U.S. Equal Employment Opportunity Commission (EEOC) on January 20, 2021. Chair Burrows was initially nominated to serve as a Commissioner of the EEOC in 2014 and then re-nominated in 2019. By unanimous vote, the U.S. Senate confirmed her to a second term ending July 1, 2023.

For more information about Chair Burrows, please see www.eeoc.gov/eeoc/burrows.cfm.

Jocelyn Samuels, Vice Chair

Jocelyn Samuels was designated by President Biden as Vice Chair of the U.S. Equal Employment Opportunity Commission (EEOC) on January 20, 2021. Vice Chair Samuels was initially nominated to serve as a Commissioner of the EEOC in 2020 and then re-nominated in 2021. The U.S. Senate confirmed her to a second term ending July 1, 2026.

For more information about Vice Chair Samuels, please see: https://www.eeoc.gov/jocelyn-samuels-vice-chair.

Janet Dhillon, Commissioner

Janet Dhillon was nominated in 2017 to serve as a Commissioner at the U.S. Equal Employment Opportunity Commission and confirmed in 2019 for a term ending on July 1, 2022. Dhillon was Chair of the U.S. Equal Employment Opportunity Commission from May 15, 2019 through January 20, 2021.

For more information about Commissioner Dhillon, please see: www.eeoc.gov/eeoc/dhillon.cfm.

Keith E. Sonderling, Commissioner

Keith E. Sonderling was nominated to serve as a Commissioner of the U.S. Equal Employment Opportunity Commission in 2019 and was confirmed on September 22, 2020, for a term expiring July 1, 2024. Sonderling previously served as the Commission's Vice Chair.

For more information about Commissioner Sonderling, please see: https://www.eeoc.gov/keith-e-sonderling-commissioner.

Andrea R. Lucas, Commissioner

Andrea R. Lucas was nominated to serve as Commissioner of the U.S. Equal Employment Opportunity Commission in 2020 and was confirmed by the U.S. Senate on September 22, 2020 for a term expiring July 1, 2025.

For more information about Commissioner Lucas, please see: https://www.eeoc.gov/andrea-r-lucas-commissioner.

APPENDIX C: GLOSSARY OF ACRONYMS

ADA Americans with Disabilities Act of 1990

ADEA Age Discrimination in Employment Act of 1967

ADR Alternative Dispute Resolution

AJ Administrative Judge

CFO Chief Financial Officer

CHCO Chief Human Capital Officer

EEO Equal Employment Opportunity

EEOC Equal Employment Opportunity Commission

EPA Equal Pay Act of 1963

EXCEL Examining Conflicts in Employment Laws

FEPA Fair Employment Practices Agency

FMFIA Federal Managers Financial Integrity Act

FOIA Freedom of Information Act

GINA Genetic Information Nondiscrimination Act of 2008

GSA General Services Administration

IIG Intake Information Group

IMS Integrated Mission System

OFO Office of Federal Operations

OFP Office of Field Programs

OGC Office of General Counsel

OIG Office of Inspector General

OMB U.S. Office of Management and Budget

OPM U.S. Office of Personnel Management

PCHP Priority Charge Handling Procedures

TAPS Technical Assistance Program Seminar

TERO Tribal Employment Rights Offices

APPENDIX D: INTERNET LINKS

EEOC Homepage: https://www.eeoc.gov/

EEOC Statistics: https://www.eeoc.gov/statistics

EEOC Explore: https://www.eeoc.gov/statistics/employment/jobpatterns/eeo1

EEOC Strategic Plan: https://www.eeoc.gov/us-equal-employment-opportunity-commission-eeoc-strategic-plan-fiscal-years-2018-2022

Strategic Enforcement Plan for FY 2017-2021: https://www.eeoc.gov/us-equal-employment-opportunity-commission-strategic-enforcement-plan-fiscal-years-2017-2021

Meetings of the Commission: https://www.eeoc.gov/meetings

Newsroom/Press Releases: https://www.eeoc.gov/newsroom/search

EEOC FY 2021 Performance Budget: https://www.eeoc.gov/fiscal-year-2021-congressional-budget-justification

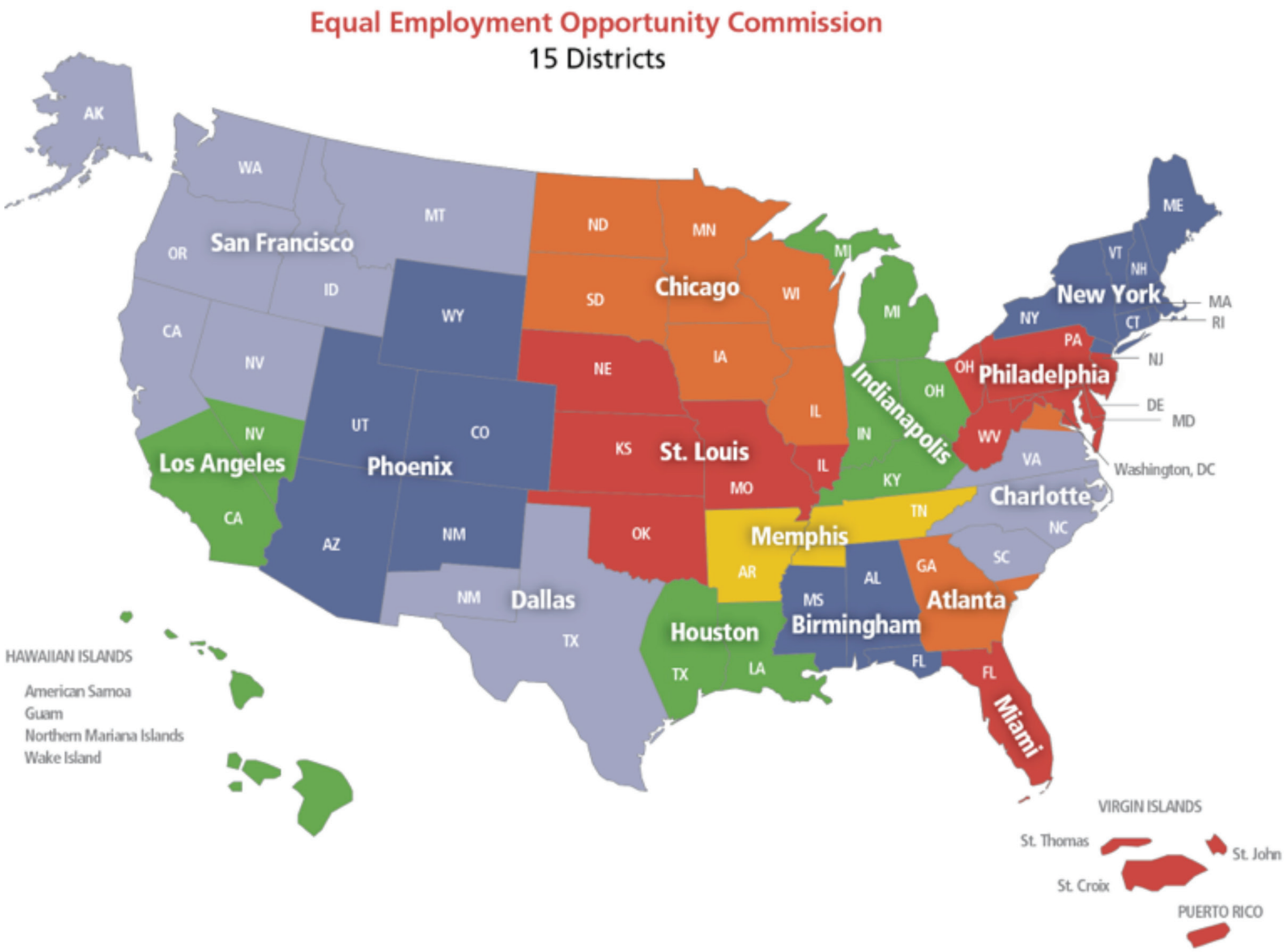
EEOC Performance Budgets: https://www.eeoc.gov/eeoc-budget-archives

EEOC Performance and Accountability Reports: https://www.eeoc.gov/eeoc-annual-reports-archives

Small Business Resource Center: https://www.eeoc.gov/employers/small-business

Youth@Work: https://www.eeoc.gov/youthwork

APPENDIX E: EEOC FIELD OFFICES



For a full list of EEOC offices and a zip-code based office locator, please see: https://www.eeoc.gov/field/index.cfm

APPENDIX F: REVOLVING FUND

The EEOC Training Institute (Training Institute) provides fee-based training and technical assistance to stakeholders from both the private and public sector. The operations of the Training Institute are funded through the EEOC's Revolving Fund, which is an instrument established by Congress in 1992 to enable the EEOC to charge reasonable fees for specialized products and services developed and delivered as part of the Commission's training and technical assistance efforts. The Revolving Fund (RF) serves as the mechanism through which the EEOC is able to collect payments, thus offsetting some of the costs devoted to training and technical assistance to external entities and allowing the agency to offer more non-fee-based outreach events to those populations less able to pay for training.

The Training Institute provides a wide variety of fee-based training to assist private sector employers, and state, local, and federal government agencies in educating their managers and employees on the laws enforced by EEOC and how to prevent and eradicate discrimination in the workplace. The Training Institute also offers workshops, courses, and conferences on a variety of EEO compliance issues including but not limited to current developments regarding EEOC guidance. Additionally, the Training Institute provides Respectful Workplaces employee training, Leading for Respect manager and supervisor training, and compliance training related to the 2016 Report of the Co-Chairs of the EEOC Select Task Force on the Study of Harassment in the Workplace.

In fiscal year 2021, the Training Institute conducted virtual workshops, courses, conferences, and Customer Specific Training (CSTs) for a total of 399 events with 19,864 attendees. Below is a more in-depth explanation of each type of program offered by the Training Institute in fiscal year 2021.

Examining Conflicts in Employment Laws (EXCEL) Conference. The agency held its 24th Annual Examining Conflicts in Employment Laws (EXCEL) Training Conference for both federal sector and private sector EEO practitioners. The conference was held virtually for the second year due to the COVID-19 pandemic. The conference started with a joint opening plenary session by Chair Charlotte Burrows and included a plenary session by Vice Chair Jocelyn Samuels. The conference received outstanding feedback from participants. There were 826 attendees and seven conference exhibitors from the federal and private sectors. The conference offered 36 workshops and several breakout sessions that covered COVID-19 related topics as well as significant employment law and EEO compliance issues. The conference generated approximately $745,710 in revenue.

Technical Assistance Program Workshops. In fiscal year 2021, RF introduced new product lines to take advantage of the virtual training environment and to provide even more opportunities for employees and employers to receive training, education, and information about their respective rights and obligations to prevent and eradicate workplace discrimination. The Training Institute offered 1-hour (breakfast and lunch briefings), 2-hour, 3-hour (half-day), and 5-hour (full-day) workshops. These workshops were extremely successful as they allowed EEOC field offices to partner together, pool their creative ideas and resources, and maximize revenue potential. These workshops received excellent evaluations from attendees. In fiscal year 2021, the Training Institute conducted 31 national (1, 2, 3, and 5-hour) workshops with 5,824 attendees. In fiscal year 2021, the RF also introduced a national Diversity, Equity and Inclusion Workshop series. The first workshop, "Diversity, Equity, and Inclusion: Unconscious Bias in the Workplace" was held on August 24, 2021 and had 600 attendees. This two-hour workshop had the highest numbers of attendees in RF history other than the EXCEL Conferences. The RF currently plans to continue to offer this workshop as well as other workshops in the DE&I series on a continual and rolling basis in fiscal year 2022.

Customer Specific Training. The Customer Specific Training (CST) programs provide training and education for employees, managers, supervisors, and human resource professionals from private sector employers and State, local, and federal government agencies on their EEO responsibilities and how to prevent and eradicate workplace discrimination. The Training Institute can design customized courses to be delivered at employers' worksites, including virtual delivery during this pandemic period. In fiscal year 2021, the Training Institute conducted 195 virtual CST events that reached 6,898 attendees. Of those events, 73 events focused on Respectful Workplaces employee training (1,029 attendees) and Leading for Respect manager and supervisor training (813 attendees).

National Federal Courses and Federal Agency Training. The Training Institute offers federal courses that are designed to meet training requirements for EEO practitioners working throughout the federal government. In fiscal year 2021, there were 53 national federal courses with approximately 2,016 attendees and 119 federal agency training sessions with approximately 4,300 attendees. Of the federal agency training sessions, 62 focused on Respectful Workplaces employee training and Leading for Respect manager and supervisor training.

Due to federal agency COVID-19 guidelines, the RF did not conduct any in-person training in fiscal year 2021. It used virtual platforms to meet the training needs of its external stakeholders. As a result, the RF successfully met its financial, operational, and program requirements.

In fiscal year 2021, the Training Institute generated revenue of over $3.4 million and met the RF's annual threshold self-sustained funding. The RF also reimbursed the agency $2,697,831 for costs associated with RF's administration and operations. These reimbursement costs included: 1) full reimbursement of RF staff salaries and benefits; and 2) a proportion of the labor costs associated with the time spent by other field and headquarters staff working on RF training activities. The RF's efficient administration and successful programs resulted in solid financial performance with revenue covering annual expenses.

FY 21 Revolving Fund Training	Events	Attendees	Revenue	Expenses	Indirect Expenses
OFP Workshops (1, 2, 3, and 5-hour)	31	5,824	$ 784,970.00	$ 363,600.00	$ 2,314,295.00
OFP CSTs (private sector, state and local government employers)	195	6,898	$ 191,950.00	$ 23,162.00	$ 10,003.00
OFO National Federal Courses	53	2,016	$ 1,306,035.00	$ 355,033.00	$ 431,350.00
OFO Federal Agency Training Sessions	119	4,300	$ 491,251.00	$ 68,201.00	$ 31,114.00
EXCEL Conference	1	826	$ 745,810.00	$ 92,255.00	$ 81,751.00
TOTAL	**399**	**19,864**	**$ 3,520,016.00**	**$ 902,251.00**	**$ 2,868,513.00**

Indirect Costs are defined by the Office of Management and Budget as “costs that are incurred for common or joint objectives and cannot be easily and specifically identified with a particular sponsored project, an instructional activity, or any institutional activity.” The indirect cost expenses included in the above chart are comprised of two major areas: 1) salaries and benefits; and 2) general and administrative costs. The salaries are for those of RF staff, Office of Field Program staff, and Office of Federal Operations staff that perform activities related to the preparation and support of all RF training activities and oversight. The general and administrative costs include items such as financial systems and reports, EEOC rent, and the use of systems and support from the Office of Information Technology. The indirect expenses in the above chart are necessary to support the execution of the full array of RF products including Workshops, Customer Specific Training (CSTs), National Federal Courses, Federal Agency Training Sessions, and the EXCEL Conference.

ACKNOWLEDGMENTS

The EEOC's Fiscal Year 2021 Agency Financial Report is a collaborative endeavor on the part of many EEOC employees and contractors. The Commission would like to acknowledge and thank them for their hard work and commitment in successfully preparing this report and in supporting the audit of the financial statements.

We Welcome Your Comments

Thank you for your interest in the EEOC's Fiscal Year 2021 Agency Financial Report. We welcome your comments on how we can make this report more informative.

Please send your comments to:

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