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 the most serious management and performance challenges facing EEOC for inclusion in the EEOC's FY 2020 Annual Financial Report (AFR).

MANAGEMENT CHALLENGES

EEOC faces new obstacles as it continues with its mission to "prevent and remedy unlawful employment discrimination and advance equal opportunity for all in the workplace." This year, the OIG presents four challenges: (1) Coronavirus 2019 (COVID-19); (2) Mission-Critical Data System Modernization; (3) Digital Records Management; and (4) Strategic Performance Management. We determined that the areas of Mission-Critical Data System Modernization and Strategic Performance Management, cited in the OIG's 2019 Management Challenges statement, remain key challenges.

During FY 2020, under the stewardship of the Office of Enterprise Data and Analytics (OEDA), the Agency has made significant strides in the development of a robust data analytics program.[1] As of September 2020, OEDA has addressed all of the recommendations from the OIG's report on the Evaluation of the EEOC's Data Analytics Activities.[2] As it has evolved, OEDA has hired fulltime data scientists, established an Agency-wide data warehouse, and enhanced its analytical capabilities. According to OEDA, the Agency's senior leadership has been highly supportive of the program and has provided the necessary resources to enhance and further the mission of EEOC. Under the Agency's senior leadership, EEOC continues to build an effective data analytics culture throughout EEOC.

COVID-19

The emergence of COVID-19 has created unprecedented challenges for federal agencies nationwide. EEOC is rising to these challenges and was able to transition its workforce to fulltime telework quickly, while continuing to manage its workload, and provide services to the public despite the pandemic. EEOC employees were kept informed through the establishment of the COVID-19 SharePoint Site and regular email updates. All internal training was conducted

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[1] Data analytics is a process of inspecting, cleaning, transforming, and modeling data to discover useful information to support the decision-making process.
[2] OIG Report Number 2017-002-EOIG.

virtually, to include the EEOC EXCEL Conference and mediation services for charging parties were provided via telephone and video and expanded to Microsoft Teams when appropriate.

The costs associated with moving to full time telework included the purchase of information technology services to support the increased amount of data transmitted over internet connections and purchased iPads. EEOC deployed Microsoft Teams agency wide. MS Teams is a chat-based collaboration platform which includes document sharing, online meetings, and many more useful features for business communications. These costs were covered using funds previously allocated for offsite training and travel, which were canceled due to COVID-19. Senior management hopes to eventually achieve cost savings from the purchase of Microsoft Teams and Windows Virtual Desktops, which will eliminate the need for desk phones and purchasing laptops for temporary staff.

Going forward, EEOC is faced with challenges in reopening its headquarters facility and its nationwide service locations.   Upon reopening, the Agency must be able to respond quickly to the needs of employees and the public. Employees need personal protective equipment and additional cleaning services for the offices to ensure the safety of employees and the public who enter the building. Each EEOC office drafted its own plan for employees to return to the office. While the reopening plans are living documents that can change depending on the status of the pandemic, there is still a level of uncertainty in reopening these facilities. This uncertainty is a challenge because it's difficult to anticipate how long the pandemic will last; what, if any, issues resuming onsite operations will bring; how the pandemic will affect the Agency's workload as it relates to workplace complaints; and how the Agency's budget will be affected down the road.

Mission-Critical Data System Modernization

As mentioned in the OIG's previous year's management challenges, the Agency is constrained in its efforts to measure strategic performance, operational performance, and expansion of EEOC's public portals. This constraint is due in part to EEOC's outdated mission critical system, the Integrated Mission System (IMS). IMS serves as the system of record for private and public sector charges filed with the EEOC and state and local Fair Employment Practices Agencies (FEPAs); federal sector complaints, hearings and appeals; and litigation.

During FY 2020, the General Services Administration managed Technology Modernization Fund (TMF) [3] awarded EEOC with four million dollars of reimbursable funding, over a two-year period, to assist the Agency's efforts in modernizing IMS. EEOC received its first installment of two million dollars on January 2020, and according to the Office of Information Technology (OIT) senior management, EEOC is approximately halfway through the first phase of this program. However, modernization efforts have been delayed due to the COVID-19 outbreak.

Currently, OIT is working to obtain the second two million dollars installment from the TMF. Agency leadership stated in the EEOC's FY 2021 Congressional Budget Justification that it

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[3] The TMF is an innovative funding vehicle 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.

expects work regarding the modernization of the legacy technology and data structure associated with IMS to be performed during calendar years 2020 and 2021. Payback of the four million dollars is to begin in FY 2021 and, should EEOC earn the second two million-dollar disbursement, conclude in FY 2026.

OIG believes that it is imperative for the Agency to continue its efforts on this critical system modernization, to include obtaining the additional funding of two million dollars from the TMF. Agency leadership must continue to provide OIT with the necessary resources to continue this effort of removing the barriers of old technology, thus transforming the EEOC to support fully digital services. This transformation will provide EEOC staff and partners with a modern system that will better enable the agency to carry out its critical mission.

Digital Records Management

The President's Management Agenda "established 14 Cross-Agency Priority Goals and recognized that powerful transformation would occur at the intersection of multiple goals, citing the move to an electronic—or "paperless"—government as a primary example that touches multiple goals."[4] According to the Office and Management Budget, federal government agencies are required to switch to an all-digital records format by the end of 2022. At that time, the National Archives and Records Administration (NARA), which stores data from across federal agencies, will no longer accept paper files.

Over the past several years EEOC has begun the process of its digital transformation[5] by developing the following: Online Charge Status System, Online Inquiry and Scheduling System, and a Private Sector Digital Charge Processing System, via its Public Portal.[6] These systems were designed to improve mission delivery, customer service, and accountable stewardship on behalf of the American public.

However, EEOC is behind in its efforts to transition to electronic records and develop internal guidance for records management. According to Agency officials, many records remain in a paper-based format, and internal guidance for records management are outdated or are being developed. EEOC has lacked the necessary human capital and resources to develop and implement a digital records management strategy. The lack of digital records not only hinders EEOC's management of activities such as contract administration, its broader impact includes such essential functions as the management of its Freedom of Information Act (FOIA) program. For example, as of August 2020, in light of the impact of COVID-19 and the challenges associated with accessing paper-based media by staff working remotely EEOC had a significant backlog of FOIA requests.

EEOC's senior leadership has recognized the shortcomings associated with the Agency's digital

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[4] Ferriero, D. and Vought, R. (2019, June 28). *Transition to Electronic Record (M-19-21)*[Memorandum]. Office of Management and Budget and National Archives and Records Administration.

[5] Digital transformation is the integration of digital technology into all areas of a business, fundamentally changing how you operate and deliver value to customers. It's also a cultural change that requires organizations to continually challenge the status quo, experiment, and get comfortable with failure.

[6] EEOC's Public Portal enables individuals to submit online inquiries and online requests for intake interviews with EEOC, and to submit and receive documents and messages related to their EEOC charge of discrimination.

transformation efforts, specifically electronic records management, and have taken steps to correct the problem, such as identifying a new office of primary responsibility with a dedicated records management staff to manage and implement the Agency's records management program. Other activities initiated to improve records management, include re-establishing EEOC's relationship with NARA, updating the EEOC's records control schedule for each program office, working with OIT to incorporate records management requirements into IMS, and updating internal records management policies.[7] Efforts will also include a more collaborative approach to better understand the obligations and policy needs of various internal stakeholders.

According to NARA, effective records management programs in federal agencies ensure the preservation of and access to permanently valuable records of the federal government. Thus, it is imperative that Agency leadership continue to provide support to its records management program to ensure that EEOC's overall digital transformation and strategy is successful and completed within a timely fashion.

Strategic Performance Management

For the past two years, we have recommended that EEOC develop a baseline to measure and study EEOC's impact in reducing employment discrimination. In 2019, EEOC's Office of Data Enterprise Analytics (OEDA) began to address this challenge by reviewing OIG's 2013 report entitled "Evaluation of EEOC's Performance Measures." The report proposed five key outcome measures as indicators of reducing national employment discrimination levels.

OEDA reviewed each of these proposed measures for their feasibility and determined it was more prudent to have performance measures that did not require the collection of new data. Through this process, OEDA developed a new performance measure and is ready to move forward with collecting and packaging the data in a way that the Agency believes would show whether it is successful at reducing employment discrimination.

If adopted, this new performance measure can be incorporated into EEOC's new strategic plan scheduled to commence in FY 2023. Once implemented, the new performance measure may provide the Agency with the ability to monitor its performance and leadership can use this information to make decisions about existing and potential new programs that would protect American workers from discrimination and/or aid potential charging parties to file claims if needed. This important work must continue to fruition.

Respectfully, submitted:

Inspector General

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[7] EEOC's relationship with NARA languished over a three-year period. EEOC neglected to submit routine reports, such as the Senior Agency Official for Records Management's Annual Report and the Email Management Report, to NARA from 2015-2018.