

Office of
Economic Impact
and Diversity

2003 Annual Report



TABLE OF CONTENTS

Message from the Director	3
Executive Summary	5
Office of Minority Economic Impact	7
Office of Small and Disadvantaged Business Utilization	13
Office of Civil Rights and Diversity	17
Office of Employee Concerns and the National Ombudsman	23
Appendix A: List of Small Business Advisory Team	27
Appendix B: References	31

2003

ANNUAL REPORT

MESSAGE FROM THE DIRECTOR

I am pleased to present the FY 2003 Annual Report for the Office of Economic Impact and Diversity (ED) at the U.S. Department of Energy (DOE). This report covers a one-year period in which the Office successfully completed several major activities.

I am pleased to report that, for the first time ever, DOE not only met but exceeded its small business prime contracting goal. The goal negotiated by the Office of Small & Disadvantaged Business Utilization (OSDBU) with the U.S. Small Business Administration (SBA) for FY 2003 was 3.7% of the department's overall procurement dollars of \$19 billion. We were able to report just under \$800 million in small business prime contracting for FY 2003 or 4.1% of total procurements. This amount was nearly \$200 million more than in FY 2002. In addition to its prime contracting awards, DOE also reported \$3.5 billion in small business subcontracting; a total of \$4.3 billion in awards to small business.

The Minority Banking Program in the Office of Minority Economic Impact grew both in the funding levels and in the number of banks participating in the program. Additionally, DOE was able to get banks to administer the program pro-bono saving badly needed program dollars. The Minority Educational Institutions program maintained its effort to bring aboard new programs and new support from departmental elements.

The Office of Civil Rights is reporting improved turnaround time for processing of its EEO complaints even while undergoing a competitive sourcing effort. That effort resulted in an award to a private small business contractor with a projected 23% savings to the program.

The Office of Employee Concerns experienced great success both in processing and closing employee concerns and in managing the special emphasis programs this year. The Special Emphasis Programs have brought together various groupings into the quarterly events held at DOE Headquarters, complemented by commemorative programs honoring Dr. Martin Luther King, Jr., and Veterans Day, and have been fully supported by the Secretary and program offices.

I am proud of our efforts and accomplishments and look forward to future challenges and successes.



Theresa Alvillar-Speake
Director

MANAGEMENT TEAM

DIRECTOR



Frank Beserra



Theresa Alvillar-Speake
Director



Adrienne Cisneros



Frank Beserra
Chief of Staff

**Office of Minority
Economic Impact**



Theresa Alvillar-Speake
Director

**Office of Small &
Disadvantaged
Business Utilization**



Yosef Patel
Deputy Director

**Office of
Civil Rights &
Diversity**



Poli Marmolejos
Director

**Office of Employee
Concerns &
National
Ombudsman**



Bill Lewis
Director

EXECUTIVE SUMMARY

Background

The Office of Economic Impact and Diversity (ED) is responsible for the development and implementation of Department-wide polices in the areas of small business, diversity and minority economic development. ED oversees civil rights laws, rules, and regulations, and establishes Department-wide civil rights policy. Additionally, ED promotes excellence in the workplace and adheres to the objectives stated below relative to the President's Management Agenda (PMA):

- Strategic management of human capital
- Competitive sourcing
- Improved financial performance
- Expanded electronic government, and
- Budget and performance integration



Secretary Spencer Abraham and the Director

HIGHLIGHTS AND ACCOMPLISHMENTS

Communications

ED views communications as the most critical goal for any organization and has successfully established open lines of communications both internal and external to DOE. Ongoing meetings are held with DOE programs and contracting staff, and Congressional staff to discuss the Department's programs and achievements.

The Director, Office of Small and Disadvantaged Business Utilization (OSDBU), was selected to serve as the official representative from DOE to the newly organized Federal Acquisition Council established by the Office of Federal Procurement Policy (OFPP) of the Office of Management and Budget (OMB) as well as to the U.S. Small Business Procurement Advisory Council.

Marketing/Training

This year ED initiated a national marketing campaign for the Department's small business



President George W. Bush and the Director

program highlighted by a very successful 4th Annual Small Business Conference in Albuquerque, New Mexico. The conference brought together more than 1,500 small businesses, government, and private sector representatives and featured partnerships with 14 executive departments and federal agencies. The marketing campaign included advertising in national publications, several articles in major national magazines and the development of new marketing materials including a CD on "How to do Business with DOE".

Partnerships

The establishment of partnerships with several small business trade associations has resulted in the signing of Memoranda of Understanding, (MOU) that commit those signatories to promote contracting opportunities available at DOE to their memberships. Additionally, those signatories have become the Advisory Team for the OSDDBU. The initial meeting of this team was held during Minority Economic Development Week in September 2003 in Washington, DC. A listing of the partners can be found in Appendix A.

Case Processing

Both the Office of Civil Rights and the Office of Employee Concerns improved their processing time and the closure of cases. The number of complaints overall dropped. The Office of Employee Concerns achieved a number of successes in 2003. Employee Concerns Managers reported they closed out 83% of the year's caseload of 652 concerns filed complex-wide while, at the same time, processing concerns faster. It should be noted that 60% of the concerns subject to review were either fully or partially substantiated last year. This would indicate that Department of Energy employees are bringing substantive concerns to the ECP offices throughout the Country, providing the opportunity for the Department, in turn, to respond and address these issues promptly.

Capital Access

ED expanded the Bank Deposit Financial Assistance Program deposit base and enhanced its viability by providing capital to minority communities in 28 states, Puerto Rico and the District of Columbia. The level of funding for participating minority financial institutions increased from \$222.5 million at the beginning of Fiscal Year 2002 to \$256.5 million during Fiscal Year 2003. This represents a \$34 million increase to minority and women-owned financial institutions.

Small Business Achievements

The Department not only achieved its FY 2003 goal of 3.7 percent, but exceeded it (achieving 4.1 percent). The total dollar achievement was \$783.4 million, over \$200 million more than in FY 2002.

OFFICE OF MINORITY ECONOMIC IMPACT

PROGRAM OVERVIEW

The Office of Minority Economic Impact was created by the Department of Energy Organization Act (42 U.S.C. 7141). The Office is responsible for advising the Secretary of Energy on the effect of energy policies, programs and regulations on minorities, minority educational institutions and minority business enterprises. The Office is authorized to provide management and technical assistance to minority educational institutions and minority business enterprises to enable these enterprises and institutions to participate in the research, development, demonstration and contract activities of the Department. The Office is further authorized to establish a national information clearinghouse for the dissemination of information on energy programs and to conduct market research and feasibility studies.

Minority Educational Institutions

The office has established effective strategic partnerships with minority educational institutions as directed in applicable Presidential Executive Orders (Executive Order 13256, Historically Black Colleges and Universities; Executive Order 13230, Educational Excellence for Hispanic Institutions; and Executive Order 13270, Tribal Colleges and Universities.) Some of the activities implemented to support these partnerships include:

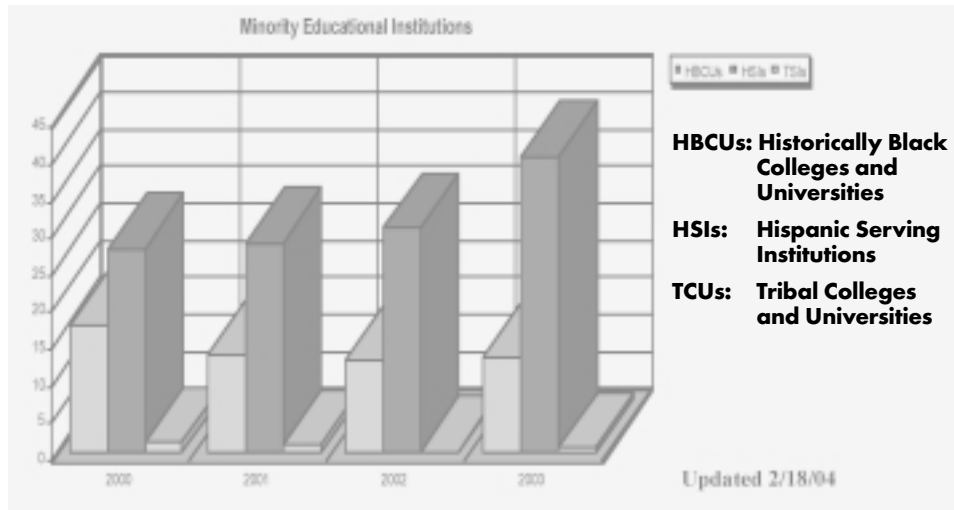
- Partnered with the Office of Science to convene the first meeting of Historically Black College and University (HBCU) presidents and DOE national laboratory directors to discuss new research and administrative infrastructure support for HBCUs. Secretary Abraham participated in the meeting.
- Sponsored the first Science Day at DOE in partnership with the Science and Engineering Alliance. More than 250 Washington, DC area high school students participated in oral and poster science competitions.
- Convened a forum during the Annual National Association for Equal Opportunity in Higher Education (NAFEO) Presidential Peer Seminar to forge new partnerships with DOE laboratory research programs. Deputy Secretary Kyle McSillarow participated in the event.
- Expanded the support of the University of Texas - Pan American Solar Car Competition to include funding from the DOE Office of Energy Efficiency and Renewable Energy
- Obtained additional funding from DOE Program Offices to support the Department-wide Student Diversity Partnership Program that provides summer internships for students. Contracted with a woman-owned small business to manage the program.

- Established the New Mexico Mathematics, Engineering, Science Achievement (MESA) Program for New Mexico students to participate in science, engineering, and mathematics enrichment programs at the University of New Mexico. (See right)
- Implemented the United Negro College Fund Special Programs Workforce Development Initiative to encourage students to pursue energy-related careers, in which undergraduate students are provided opportunities to work at DOE laboratories and facilities to gain valuable work experience necessary for future DOE employment.
- Fully implemented an electronic minority education data collection system to facilitate more timely and accurate reporting of minority education data by DOE Program Offices.
- Facilitated the development of a proposed policy statement on minority educational institutions, intended to strengthen the Department's commitment to providing opportunities for minority educational institutions.



The following chart provides a historical perspective of the funding levels provided by the Department:

**U.S. Department of Energy
Minority Educational Institutions Funding
(Dollars in Millions)**



FUTURE INITIATIVES

- Convene regional technical assistance workshops to facilitate collaborative research and development partnerships between DOE national laboratories and minority educational institutions.
- Implement quarterly (rather than annual) Department-wide performance review system to measure progress toward established funding goals.
- Develop systematic outreach and recruitment programs to better inform minority educational institutions and community-based organizations about program and employment opportunities at DOE.
- Establish, monitor and evaluate Department-wide funding goals and identify opportunities for minority educational institutions to participate in the programs of the Department. Match these opportunities with the minority institutions.

Bank Deposit Financial Assistance Programs

One of the most innovative and effective programs is the Bank Deposit Financial Assistance Program. The Bank Deposit Financial Assistance Program originated in the Department of Energy in 1980 and provides a source of operating capital for women and minority owned financial institutions. The funds used to support the program are derived from the Department of Energy's enforcement actions against violators of the Emergency Petroleum Allocations Act of 1973 (EPAA) and the Economic Stabilization Act (ESA) of 1970. This program provides more than \$250 million in deposits to participating financial institutions.

Some of the activities undertaken this year include:

- The Department of Energy relies on pro bono assistance of financial institutions participating minority and women-owned and non-minority owned Trustee Banks (Administrative Financial Institutions), to assist in providing managerial support for the Bank Deposit Financial Assistance Program. Currently there are a total of forty-two banks serving as Trustees.
- The Program's goal is to enhance women-owned, and minority-owned financial institutions' viability as business enterprises and serve the economic and developmental needs of small, minority, Native American communities by providing needed capital to small local businesses.
- Increased the number of new Women and Minority-owned Financial Institutions that participate in the Bank Deposit Financial Assistance Program from 104 to 106. However, due to mergers and acquisitions, the total number of participating financial institutions ended up at 104 for the year.

2003
ANNUAL REPORT

- Served the economic and development needs of small, minority, Native American and local communities by providing capital to minority banking institutions in 28 states, Puerto Rico, and the District of Columbia.
- Successfully recruited the Bank of Belen in Belen, New Mexico (one of only two Hispanic-owned financial institutions in the state of New Mexico) into the program.
- Provided funds to two Native American Banks; Bank 2, of Oklahoma City, Oklahoma (Chickasaw Nation), and Fort Gibson State Bank, in Fort Gibson, Oklahoma (Cherokee Nation).
- Recruited two new financial institutions in the State of Texas, The Lone Star National Bank, Pharr, Texas and Southwestern National Bank, in Houston, Texas. Lone Star National Bank is the second financial institution in the McAllen Valley area to participate in the Bank Program.
- Added the First American International Bank, in Brooklyn, New York, as the only bank in Brooklyn to participate in the Department's Bank Deposit Financial Assistance Program.



At the National Bankers Association Conference, Theresa Alvillar-Speake presented Distinguished Service Awards in appreciation of leadership and support of the Department of Energy's Bank Deposit Financial Assistance Program.



FUTURE INITIATIVES

- Increase the availability of additional funds for the program.
- Increase and diversify the financial institutions that currently participate in the Bank Deposit Financial Assistance Program.
- Continue to encourage Native American and Tribal Government's participation in the Bank Deposit Program.

2003

ANNUAL REPORT

OFFICE OF SMALL & DISADVANTAGED BUSINESS UTILIZATION

PROGRAM OVERVIEW

The Office Of Small and Disadvantaged Business Utilization (OSDBU) manages the small business program for the Department as required under Sections 8 and 15 of the Small Business Act, as amended. Under Public Law 95-507, the Small Business Act requires the Small Business Administration and the head of each Federal agency to jointly establish annual goals for the participation of small businesses, including small disadvantaged, 8(a), women-owned, service-disabled veteran-owned, and Historically Underutilized Business Zone (HUBZone) firms (hereafter referred to as “small business concerns”). The OSDBU is also responsible for implementing the requirements of all Executive Orders relative to small and socioeconomic businesses.

The OSDBU provides (1) functional direction and oversight to DOE headquarters and field personnel with regard to execution of programs and (2) strategy development and execution of procurement policies and programs to ensure that an equitable portion of the total contracts and subcontracts for the DOE’s services and supplies are procured from small business concerns.

The Office accomplishes its mission through the duties and functions, some of which are listed below:

- Implementing the Department’s Small Business Strategic Plan;
- Acting as a focal point and advocate for small business concerns;
- Preparing the small business departmental/element goals;
- Monitoring and reporting on small business goals;
- Reviewing contracts to ensure small businesses are afforded maximum practical opportunities to compete for contracts suitable for award to small business;
- Establishing and maintaining business development programs;
- Establishing and maintaining outreach and counseling programs for small business.

**Department of Energy
FY 2003 Small Business Goals and Achievements**

Category	FY 2003 SB Goals		FY 2003 Achievement	
	\$	%	\$	%
Prime Contracting Base	\$19,824,137		\$19,058,711	
Small Business	\$733,493	3.7%	\$783,407	4.1%
Other SDB & 8(a)	\$317,186	1.6%	\$245,986	1.3%
Women-owned Small Business	\$71,381	0.4%	\$93,390	0.5%
HUBZone Businesses	\$17,846	0.1%	\$32,648	0.2%
Service-Disabled Veteran	\$1,785	0.01%	\$3,183	0.02%
Subcontracting Base	\$6,388,063		\$7,344,657	
Small Business	\$3,066,270	48.0%	\$3,533,768	48.1%
Small Disadvantaged Business	\$613,254	9.6%	\$582,098	7.9%
Women-owned Small Business	\$491,881	7.7%	\$608,262	8.3%
HUBZone Businesses	\$19,164	0.3%	\$127,439	1.7%
Service-Disabled Veteran	\$639	0.01%	\$11,928	0.2%
Total Prime and Subcontracting Small Business Awards	\$3,799,763		\$4,317,175	

* Goals negotiated with the Small Business Administration (Dollars in Thousands)

Note: FY 2002 and FY 2003 achievement based on percent of goal achievement

Source: Procurement Automated Data System

HIGHLIGHTS AND ACCOMPLISHMENTS

Small Business Goals

For the first time, DOE not only met, but exceeded its small business prime contracting goal. The FY 2003 goal was 3.7 percent of the Department's overall procurement dollars of \$19 billion. DOE reported just under \$800 million in small business prime contracting for FY 03 - or 4.1 percent of total procurements.

Forecast of Contracting and Subcontracting Opportunities

The Department prepared its on-line FY 2003 "Forecast of Contracting and Subcontracting Opportunities," twice last year in order to ensure the validity and timeliness of information. The forecast contains more than 500 prime and subcontracting opportunities.

Mentor-Protégé Program

The Department updated its website to report on its Mentor-Protégé Program. The website includes the eligibility criteria, reporting procedure, sample Mentor-Protégé agreement and a list of current mentors and protégés. Additionally, the Department launched a "Become a Mentor" promotional effort among prime contractors resulting in five new prime contractors establishing agreements to become mentors.

Unbundling Initiative

In FY 2003 the Office commissioned studies to review M&O contracts for the purpose of identifying the tasks involved in managing a project and selecting portions of the work that could be set aside for small business firms. Several studies were completed in FY 2003. The Office of Fossil Fuel did determine that it would set out a portion of its contract at the Strategic Petroleum Reserve (SPRO) dealing with major maintenance construction as an 8(a) set-aside.

In addition to the studies being conducted, the Director, Office of Procurement and Assistance Management and the Director, OSDBU have worked together to revise a DOE Acquisition Letter to include specific steps that must be taken should an acquisition be bundled; along with information as to what steps DOE will take to mitigate the impact on small business of such a bundled contract.

Small Business Database

In order to ensure that a pool of small businesses capable of performing Department of Energy related requirements is available, the OSDBU has contracted with a Small Business to develop such a database. The OSDBU will use this database, along with the CCR as the key resource for recommending small firms to fulfill Departmental requirements and for making small business "set aside" recommendations.

Annual Small Business Conference

The Department held its "Fourth Annual Small Business Conference," on May 12-16, 2003, in Albuquerque, New Mexico. The conference was a major success with more than 1,500 small businesses, government and private sector representatives attending. Small businesses met one-on-one with agency program and technical representatives, as well as with private sector companies.

**Opening the Exhibit Hall at the DOE
Fourth Annual Small Business
Conference with Deputy Secretary
Kyle McSlarrow and Theresa
Alvillar-Speake cutting the ribbon.**



FUTURE INITIATIVES

- Continue to implement DOE's strategic plan for meeting its small business goals and further enhance outreach efforts and other Departmental programming.
- Continue to add new small businesses to the DOE Small Business database.
- Continue with the M&O reviews to identify break out opportunities for small business.
- Improve and expand the Mentor-Protégé Program.
- Promote "teaming" efforts for small business in order for these firms to bid on larger DOE projects.
- Implement an annual review of prime contractors to validate the subcontracting data submitted to DOE.
- Work on developing a financing vehicle for small business upon award of a DOE contract.
- Plan for the Fifth Annual Small Business Conference

OFFICE OF CIVIL RIGHTS AND DIVERSITY

Program Overview

The Office of Civil Rights and Diversity develops and administers Departmental policies, practices and procedures under Titles VI, VII, and IX of the Civil Rights Act of 1964, as amended, the Rehabilitation Act of 1973, the Equal Pay Act of 1963, the Age Discrimination in Employment Act of 1967, as amended, and related statutes and Executive Orders which prohibit employment discrimination, including discrimination in programs and activities receiving Federal financial assistance. The Office also directs, implements and manages the Department of Energy's Equal Employment Opportunity (EEO) and Affirmative Action Programs to ensure equal opportunity for minorities, women, and persons with disabilities.

Among other things, the Office of Civil Rights and Diversity engages in EEO counseling and complaint processing, monitoring compliance with EEO processes, and conducting EEO training. The Office also is responsible for alternative dispute resolution and mediation, and for conducting Title VI and Title IX reviews, compliance and diversity training. It is also responsible for preparing annual regulatory reports.

OBJECTIVES AND STRATEGIES

Track Diversity

Monitor, support and track the progress of the Department's efforts for achieving diversity by reporting the representation of minorities, women and persons with disabilities within the DOE workforce, and in particular, at the senior management levels (GS-14 to Senior Executive Service (SES)).

Increase Accountability

Work to increase management accountability in implementing the Department's diversity policies, the Departmental Executive Performance Standards, and the performance standards for managers and supervisors.

Enhance Case Processing

Enhance processing of EEO complaints by refining and updating the automated case tracking system, and improving case processing and monitoring procedures.

Enforce Federal Financial Assistance Laws to ensure that beneficiaries of Federal financial assistance are in compliance with applicable civil rights laws.

HIGHLIGHTS AND ACCOMPLISHMENTS

Implemented proactive EEO case processing procedures, which resulted in measurable improvements in the processing of EEO complaints. Data for FY 2003 shows the following:

- Issued 54 final agency decisions (compared to 30 the previous fiscal year).
- Closed 98 complaints (up from 87 the previous fiscal year).
- Reduced the average complaint processing time by more than 260 days.
- The number of EEO complaints filed declined by almost 20 percent (approximately 70 cases compared to 84 the previous fiscal year).
- Settled 38 cases (compared to 19 the previous fiscal year).
- Over the past several years, the number of complaints filed declined by over 35 percent. This is the second consecutive year in the last decade that fewer than 100 EEO complaints were filed during the fiscal year.

Coordinated and conducted a wide variety of training initiatives, including: Title VI/Title IX Federal Financial Assistance Training for Diversity Managers and Procurement Specialists; the 2002 Third Quarter Special Emphasis Training Program; sexual harassment training for Headquarters employees; case tracking system training for diversity managers and staff; and the 2002 Veterans and Fourth Quarter Training Program for Headquarters employees, featuring Senator Robert Dole.

Coordinated, conducted and reported on a wide variety of reviews, including four Federal financial assistance civil rights reviews of programs and activities, and more than 30 pre-award Federal financial assistance grant reviews. In addition, conducted a field review and evaluation of the adequacy of the Savannah River EEO program, and coordinated and monitored Equal Employment Opportunity Commission (EEOC) and General Accounting Office (GAO) reviews of DOE's field civil rights programs. Continued to coordinate the Department's response to the Government Accounting Office review of EEO Activities at the DOE Weapons Laboratories.

Enhanced outreach to stakeholders through a variety of methods, including: working with local unions to address training and other issues of interest to local union officials; working with the National Nuclear Security Administration (NNSA) Office of Diversity and Outreach to coordinate enforcement activities; conducting bi-monthly meetings with the Office of Human Resources to better coordinate on issues of common interest; partnering with the Human Resources Managers in Las Vegas, Nevada, to build better working relations between the DOE diversity community and the Human Resources community; conducting quarterly meetings with field diversity managers to address issues of common concern; and issuing new EEO complaint process brochures and diversity posters for DOE employees and applicants.

OFFICE OF CIVIL RIGHTS AND DIVERSITY

Coordinated and led the 8th Annual EEO/Contractor Diversity Conference and Awards Ceremony in Albuquerque, NM, the most successful such conference to date, with close to 250 participants.

Developed new DOE-wide guidance and procedures, including: Limited English Proficiency Guidance (approved by the Department of Justice); Reasonable Accommodation Procedures for Employees with Disabilities (approved by EEOC); and DOE Order 311.1B, Equal Employment Opportunity and Diversity (approved by DOE).

Prepared and submitted a wide variety of reports, including: Annual Federal EEO Statistical Report of Discrimination Complaints (for EEOC); FY2001 accomplishment report and FY2002 plan update for the Hiring, Placement and Advancement of People with Disabilities (for EEOC); Federal Equal Opportunity Program (FEORP) report and Disabled Veterans Affirmative Action Program (DVAAP) Plan Certifications for FY 2003 and accomplishment report for FY 2002 (for OPM); FY 2002 Report on the enforcement of the Age Discrimination Act of 1975 (for DHHS); statistical data report regarding costs of implementing the Limited English Proficiency Executive Order (for OMB); and FY 2002 workload and performance data requirements for agencies that administer Federally assisted programs subject to Executive Order 12250 (for DOJ). In addition, collaborated on, and provided support and guidance concerning, various reports relative to the requirements of Executive Order 13171 - "Hispanic Employment in the Federal Government" (for OPM and other agencies). In addition, revised the Multi-Year Affirmative Employment Plan for Women and Minorities.

Enhanced DOE's Hispanic employment opportunities by: collaborating on, and co-coordinating development of, the DOE Hispanic Employment Plan; coordinating and providing support, assistance and guidance in DOE's co-sponsoring of Summit V with the National Association of Federal Hispanic Executives (NAHFE); and, re-initiating a process that resulted in the permanent hiring of a DOE National Hispanic Employment Manager.

Developed and deployed a variety of internal initiatives designed to improve Office operational efficiency; streamline reporting

Poli Marmolejos, Director, Office of Civil Rights, Theresa Alvillar-Speake, Director, ED, and Gwen Germany, EEO Analystist from Sandia National Labs Office of Diversity, at the 2003 EEO Diversity Conference in Albuquerque, New Mexico.

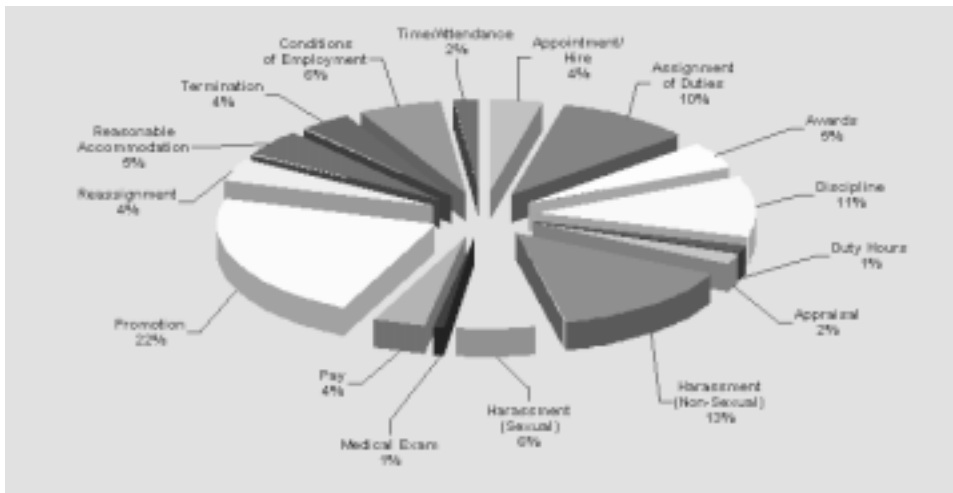


authority; and enhance customer service, including: office staff restructuring and reassignment; upgrade of EEO case processing and tracking procedures; and coordination of internal review of competitive outsourcing plans, in compliance with the President's Management Agenda.

FUTURE INITIATIVES

- Ensure that sexual harassment training is provided to Headquarters and field employees in accordance with DOE policies and guidelines.
- Work closely with representatives of the Office of Management, Budget and Evaluation to plan, coordinate and implement the Department's first joint HR/ED symposium encompassing Human Resources, Training, EEO and Diversity (to be held in June of 2004, in Pittsburgh, PA).
- Work with the Office of Management, Budget and Evaluation to incorporate diversity into the Department's Human Capital Management Initiatives.
- Work with the Office of Corporate Financial Systems to post diversity information on the DOEInfo system.
- Fully implement new EEOC Management Directive 715, and prepare and submit reports to EEOC under that Directive.
- Fully implement all aspects of the Notification and Federal Employee Antidiscrimination Retaliation Act of 2002, including training for DOE employees on rights and responsibilities under the Act.

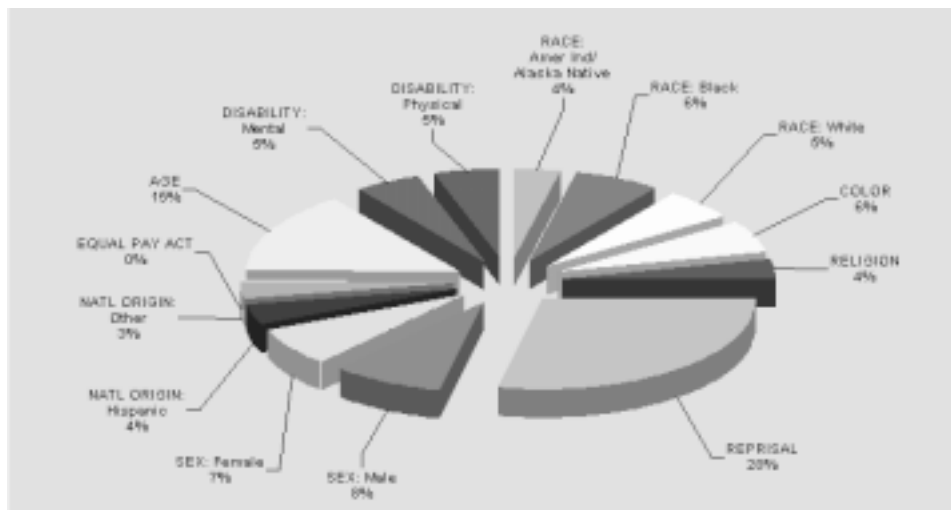
Department of Energy EEO Complaints: FY 2003 – By Issue



Formal EEO complaints encompassed a wide variety of work-related issues in FY 2003

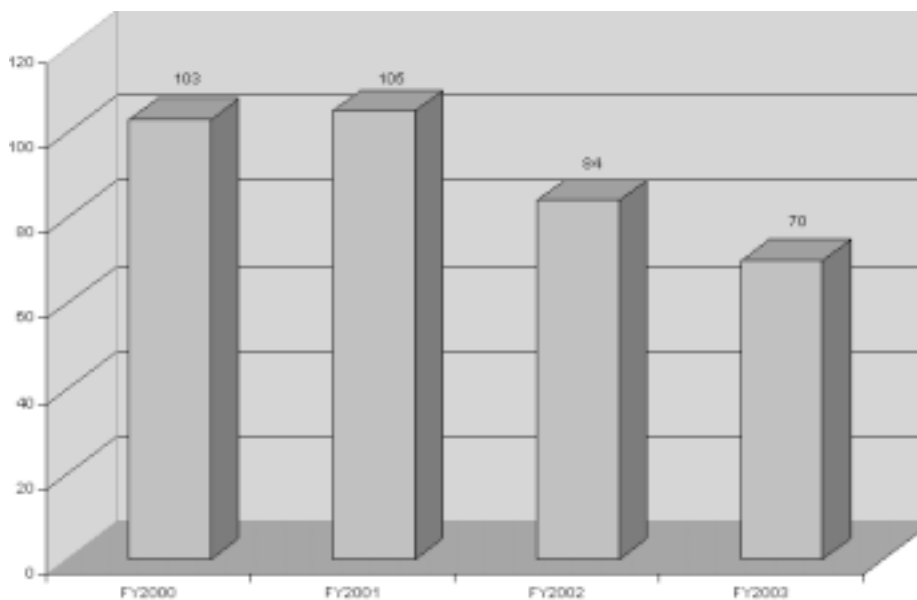
OFFICE OF CIVIL RIGHTS AND DIVERSITY

Department of Energy EEO Complaints: FY 2003 – By Basis



In FY 2003, reprisal/retaliation constituted more than one-quarter of the EEO bases alleged in formal EEO complaints in DOE.

Department of Energy Formal Complaints Filed by Fiscal Year



The number of formal EEO complaints filed by DOE employees declined sharply between 2001 and 2003

2003

ANNUAL REPORT

OFFICE OF EMPLOYEE CONCERNS/ NATIONAL OMBUDSMAN

Program Overview

The Headquarters Office of Employee Concerns, established as part of the Department of Energy's Whistleblower Initiative, is responsible for providing a focal point for employees to raise issues such as safety, health, environment, personnel or management practices, or reprisal resulting from whistleblowing.

The program responsibilities of the Office of Employee Concerns were modified at the end of 2003 to include oversight of the functions of the Office of the National Ombudsman. During the past year, staff continued to respond to both headquarters and field employees seeking counsel on numerous issues, including terminations, security clearances, reprisals, and questions surrounding the reorganization of the National Nuclear Security Administration (NNSA). [note: NNSA recently established its own cadre of ombudsmen] At the same time, the ombudsman function received and handled a notable increase in the number of issues involving small businesses, such as contractual disputes and appeals regarding awarded contracts. Consequently, it was determined that focusing the ombudsman function on this subject area would well serve the Department and its small business customers, and the decision has been made to place the function in the Office of Small & Disadvantaged Business Utilization in FY 2004.

In addition, FY 2003 marked the first year that the Office of Employee Concerns was assigned responsibility for the Department's Quarterly Special Emphasis Programs (SEP), as well as the commemorative programs honoring Dr. Martin Luther King, Jr., and Veterans Day. These Special Emphasis Programs and related initiatives enable Department of Energy headquarters employees to honor the cultural contributions of minorities, women and people with disabilities; raise cultural awareness; and promote diversity and equal employment opportunity within the Departmental workforce.

VETERANS DAY OBSERVANCE COMMEMORATIVE SPECIAL EMPHASIS PROGRAM

**Left to right (Program Participants),
Cynthia Brawner-Gaines, Commander
Bill Allen, Noemi Pizzaro-Hyman, James
Morrison, Secretary Spencer Abraham,
Theresa Alviljar-Speake, Alvan Majors.**



OBJECTIVES AND STRATEGIES

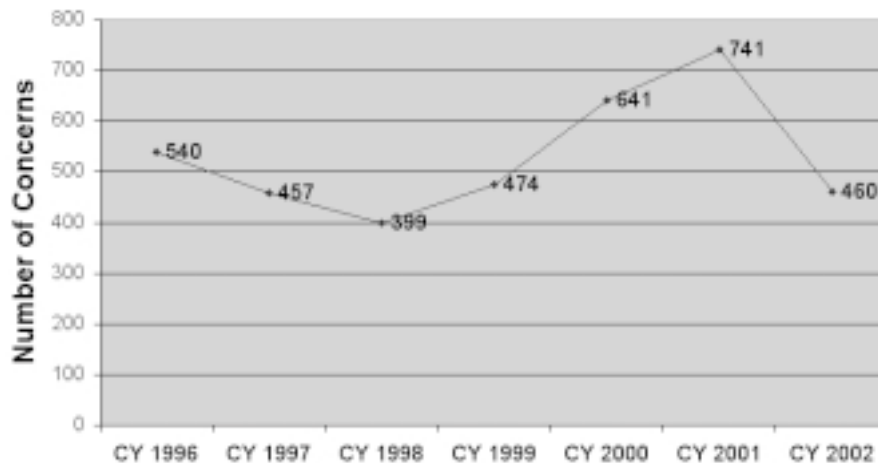
One of the primary missions of the Office of Employee Concerns is to fulfill the Secretary's commitment to create an environment where employees are free to raise concerns without the fear of reprisal or retaliation. The Employee Concerns Programs (ECP) throughout the Department are structured to ensure that employee concerns are addressed in a thorough, fair and timely manner. Furthermore, employees have the right to receive a timely investigation and resolution of their concerns and protection from reprisal or retaliation.

In 2003 the Office of Employee Concerns worked closely with the largest professional organization in the field, the Employee Concerns Program Forum, made up of over 200 members who are managers, attorneys and human resource professionals within the nuclear and utility industries. In working with organizations such as the Department of Energy, the Forum has become an influential group focused on improving work environments and safety cultures

HIGHLIGHTS AND ACCOMPLISHMENTS

The Office of Employee Concerns closed approximately 83% of its 2003 case load of 652 concerns complex-wide, while continuing to stress processing concerns faster, and reducing the number of cases pending over six months. Throughout the Department, 867 employees used the program, a figure which compares favorably with those of previous years.

Number of Concerns Received



The Employee Concerns Program received 546 new concerns, complex-wide, in calendar year 2003 (not shown on graph).

OFFICE OF EMPLOYEE CONCERNS/ NATIONAL OMBUDSMAN

In collaboration with the Nevada and Savannah River Site Employee Concerns Program Managers, the ECP tracking system is designed to collect and consolidate annual reporting data. This information, now compiled for over eight years, was recently cited by the Assistant Secretary of Environment, Safety and Health as being extremely valuable to that office in assessing the Department's Integrated Safety Management process.

The Director of the Office of Employee Concerns addressed the Employee Concerns Forum at their meeting in March 2003, as well as their meeting in Washington, D.C. in September. At the March meeting, the Director discussed the Department of Energy's employee concerns program, as well as arranging for the conference participants to hear from the Director of the DOE Alternative Dispute Resolution Office, and senior staff from the Department's Office of Hearings and Appeals.

To complement the activities with the Employee Concerns Forum, the Director of the Department's Employee Concerns Office utilized televideo conferencing to hold additional meetings with DOE Employee Concerns Managers in the field. These meetings provided a cost efficient option in fostering communication among the ECP Managers, which is helpful in reporting on their respective programs, and sharing 'best practices' with each other.

With respect to the Special Emphasis Program, the year's events were highlighted by several prominent speakers who addressed the DOE audience and included Dorothy Height, President Emeritis of the National Council of Negro Women; former Councilmember and University President Charlene Drew Jarvis; and EEOC Chair, Cari Dominguez.

SPECIAL EMPHASIS PROGRAM RECOGNIZING NATIONAL AFRICAN AMERICAN/NATIONAL WOMEN'S HISTORY MONTH

Left to right (Program Participants),
Cynthia Brawner-Gaines, Mary
Kimbrough, Karen Evans, Beverly
Cook, Theresa Alvillar-Speake, Dr.
Charlene Drew-Jarvis (Keynote
Speaker), Jessie Roberson, Dianne
Beverly-Patterson "Lady Di"
(Guest Poet), and Bill Lewis.



FUTURE INITIATIVES

- Improve and update the Employee Concerns website to be more “customer-friendly”, to educate DOE employees on the jurisdiction of the Employee Concerns Program, and to publicize the distinctions between it and other employee-related programs.
- The program parameters will also be communicated through the use of DOECASTS including the Department’s policy of “zero tolerance” of reprisal towards whistleblowers.
- Continue to train new ECP managers to promote the use of Alternative Dispute Resolution mechanisms, including Concerns Review Panels, Differing Professional Opinion (DPO) processes, mediation and facilitation.
- Serve as the Department’s point of contact in leading and hosting commemorative events and Special Emphasis programs, including expanding the program on Community Service and Volunteerism and, in particular, the Secretary of Energy’s Community Service Award Event.

APPENDIX A

**Office of Small and Disadvantaged Business Utilization
Memorandum of Understanding Contact Information as
of 3/11/04**

Albuquerque Hispano
Chamber of Commerce
Loretta Armenta
President/CEO
1309 4th Street S.W.
Albuquerque, NM 87102
(505) 842-9003
(505) 764-9664 Fax
Loretta_Armenta@ahcnm.org

All America Small Business
Exporters Association
Sharon T. Freeman
President
2300 M Street N.W. ; Suite 800
Washington, D.C. 20037
(202) 332-5137
(202) 332-5286 Fax
larkhor@erols.com

Association of Procurement Technical
Assistance Centers
Mr. Morris R. Hudson
President
300 University PL.
Columbia, MO 65211
(573) 882-0344
(573) 884-4297 Fax
hudsonm@missouri.edu

California Black Chamber of Commerce
Mr. Aubrey L. Stone
President & CEO
9851 Horn Road; Suite 160
Sacramento, CA 95827
(916) 364-2400
(916) 364-2404 Fax
donna@calbcc.org

Hunt Valley Business Forum
Mr. Harsha Desai
P.O. Box 1322
Cockeysville, MD 21030-6322
(410) 744-1685
(410) 771-4133 Fax
HDesai@loyola.edu

Latin Business Association (LBA)
Maria Molino Solano, Director
LBA Institute
5400 East Olympic Boulevard
Los Angeles California, 90022.
Phone: (323) 721-4000
Fax: (323) 721-0407
mmsolano@lbausa.com
www.LBAinstitute.com

Minority Business Roundtable
Mr. Roger Campos
President & CEO
1300 Pennsylvania Avenue N.W.;
Suite 270
Washington, D.C. 20004
(202) 289-8881
roger@mbrt.net

Mississippi Road Builders Association
Mr. Hollis Cheek
President
P.O. Box 22524
Jackson, MS 39225-2524
(662) 289-1631
(662) 289-6806 Fax
hcheek@webulan.com

2003
ANNUAL REPORT

National Association of Small
Disadvantaged Businesses
Mr. Hank Wilfong
President
P.O. Box 13603
Silver Spring, MD 20911
(301) 588-9312
Hwilfongjr@aol.com

National Black Chamber of Commerce
Mr. Harry Alford
President & CEO
1350 Connecticut Avenue N.W. #825
Washington, D.C. 20036
(202) 466-6888
(202) 466-9418 Fax
info@NationalBCC.org

National Council of Minorities in Energy
Mr. Jerry Curry
Chairman
P.O. Box 65783
Washington, D.C. 20035
(703) 790-3502
(866) 663-8007 Toll Free Fax
jcurry@minoritiesinenergy.org

National Indian Business Association
Mr. Peter Homer
President & CEO
1730 Rhode Island Avenue, NW,
Suite 1008
Washington, DC 20036
(202) 223-3766
(202) 223-8003 Fax
phomer@nibanetwork.org

National Women's Business Council
Julie R. Weeks
Executive Director
409 Third Street, S.W. Suite 210
Washington, DC 20024
(202) 205-6828
(202) 205-6825 Fax
Julie.weeks@sba.gov
www.nwbc.gov

New Mexico 8(a) and Minority
Business Association
Anna Muller
President
718 Central Avenue S.W.
Albuquerque, NM 87102
(505) 843-7114
(505) 242-2030 Fax
info@nedainc.net

Northern California 8(a) Association
Ms. Belinda Guadarrama
President
25 Leveroni Court
Novato, CA 94949
(415) 883-8338
(415) 883-9393
bg@gcmicro.com

Puerto Rico Minority Business
Opportunity Committee
Mr. Juan F. Woodroffe
Project Advisor
530 Ponce de Leon Avenue;
Suite 320
San Juan, PR 00901
(787) 289-7880
(787) 289-8750 Fax
juan@puertoricomboc.com

Small Environmental Business
Action Coalition
Mr. Kenneth T. Fillman
President
PMC Environmental
Whiteland Business Park
835 Springdale Drive; Suite 201
Exton, PA 19341-2843
(610) 862-5040
(610) 862-5050 Fax
KFillman@pmctechnologies.com

U.S. Indian American Chamber
of Commerce
Mr. KV Kumar
Chairman
3 Bethesda Metro Center, Suite 700
Bethesda, MD 20814
(602) 531-1200 or (301) 664-8440
(480) 607-9500 Fax or
(301) 236-9090
kv@kvkumar.com

U.S. Pan Asian American
Chamber of Commerce
Ms. Sue Allen
President & CEO
1329 18th Street N.W.
Washington, D.C. 20036
(202) 296-5221
(202) 296-5225 Fax
susallen@uspac.us

U.S. Women's Chamber of Commerce
Margot Dorfman, CEO
1201 Pennsylvania Ave. NW
Suite 300
Washington, DC 20004
(202) 302-3087 or
(410) 745-2006
margot@uswomenschamber.com

Women Impacting Public Policy
Ms. Ann Sullivan
1615 L Street N.W.; Suite 650
Washington, DC 20036
(202) 626-8562
(202) 223-6601 Fax
(703) 304-8429 Cell
asullivan@wipp.org

2003

ANNUAL REPORT

APPENDIX B

REFERENCES

Website for Office of Economic Impact and Diversity: <http://diversity.doe.gov>

Statutes

- Public Law 95-619, Section 641, Title VI, Part 3, National Energy Conservation Policy Act, November 9, 1978.
- Public Law 95-507, Chapter 3, Section 221, October 24, 1978 – An Act to Amend the Small Business Act and the Small Business Investment Act of 1958.
- Public Law 95-238, the Department of Energy Act of 1978 as amended, requires the DOE to submit an annual report to Congress on its small business accomplishments and activities.
- Public Law 100-656, November 15, 1988 – Business Opportunity Development Reform Act of 1988, Section 501 requires the agency to publish a procurement forecast semiannually of DOE’s contract opportunities, establishes a Small Business Competitiveness Demonstration Program to determine set-aside status for DIGS quarterly, and establishes a 5 percent small disadvantaged business and 20 percent small business procurement goal.
- Public Law 207-174, Notification and Federal Employee Antidiscrimination Retaliation Act of 2002 (No FEAR Act).
- Public Law (P.L.) 88-352, the Civil Rights Act of 1964, Title VII, as amended by P.L. 92-261, the Equal Employment Opportunity Act of 1972, which prohibits discrimination in Federal employment based on race, color, religion, sex, or national origin.
- Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. Section 2000d-7, which requires that no person in the United States shall, on the basis of race, color, or national origin, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity receiving financial assistance from the Department of Energy.
- Title IX of the Education Amendments of 1972, as amended, 20 U.S.C.,

Sections 1681 & 1688, which prohibit discrimination on the basis of sex in educational programs or activities receiving financial assistance from the Department of Energy.

- P.L. 90-202, the Age Discrimination in Employment Act of 1967, as amended by P.L. 93-259 and P.L. 95-256, which prohibits discrimination in Federal employment based on age.
- Section 504 of the Rehabilitation Act of 1973, as amended, P.L. 93-112, which prohibits discrimination in Federal employment based on physical or mental handicap.
- Section 501 of the Rehabilitation Act of 1973, as amended, P.L. 93-112, which provides for the employment of individuals with disabilities.
- Section 505 of the Rehabilitation Act of 1973, as amended, P.L. 93-112, which provides for remedies and attorneys fees for individuals with disabilities.
- P.L. 94-135, the Age Discrimination Act of 1975, which prohibits discrimination on the basis of age in programs or activities receiving Federal assistance from Federal agencies.
- P.L. 95-454, the Civil Service Reform Act of 1978 which requires fair and equitable treatment of Federal employees and applicants for employment without regard to race, color, religion, sex, national origin, age, or handicapping condition and establishes a program under which Federal agencies are required to conduct affirmative recruitment for those occupations and grades within the work force where there is under representation of minorities and women.
- Title 5, Code of Federal Regulations (CFR), part 720, Affirmative Employment Programs, which requires Federal agencies to conduct a continuing program for the internal and external recruitment of minorities and women.
- Title 10 CFR, Part 1040, Nondiscrimination in Federally Assisted Programs, which prohibits discrimination on ground of race, color, national origin, sex, handicap, or age in programs and activities receiving Federal assistance from Federal agencies.

- Title 29 CFR, Part 1604.11, Sexual Harassment, which sets forth guidelines on the identification and prevention of sexual harassment.
- Title 29 CFR, Part 1607, Uniform Guidelines on Employee Selection Procedures, which provides principles and guidance for assuring that employee selection procedures are job-related and valid and do not discriminate on the basis of race, color, religion, national origin, or sex.
- Title 29 CFR, Part 1608, Affirmative Action Appropriate Under Title VII of the Civil Rights Act of 1964, as amended, which provides guidance and clarifies the kinds of voluntary actions appropriate under Federal law.
- Title 29 CFR, Part 1614, Federal Sector Equal Employment Opportunity, which provides a statement of the process for filing a federal sector equal employment opportunity complaint of discrimination, and which requires the heads of Federal agencies to exercise personal leadership in establishing, maintaining, and carrying out a continuing affirmative employment program designed to promote equal opportunity in every aspect of Federal personnel policy and practice, including development, advancement, and treatment of employees.
- P.L. 102-166, the Civil Rights Act of 1991, which provides appropriate remedies for intentional discrimination and unlawful harassment in the workplace.
- P.L. 101-336, the Americans with Disabilities Act of 1990, which provides remedies for discrimination on the basis of disability by private employers holding Government contracts or subcontracts.
- P.L. 88-38, the Equal Pay Act of 1963, which prohibits discrimination on the basis of sex in the payment of wages for similar employment.
- Title 41 CFR, Part 60, which implements the nondiscrimination and affirmative action requires of Executive Order 11246, as amended; and the affirmative action requirements for covered veterans and handicapped individuals.

Executive Orders

- Executive Order 13170, Small Disadvantaged Business Program, October 6, 2000.
- Executive Order 13157, Opportunities for Women-Owned Small Business, May 25, 2000.
- Executive Order 13270, Tribal Colleges and Universities, July 3, 2002.
- Executive Order 13256, Historically Black Colleges and Universities, February 12, 2002.
- Executive Order 13230, Educational Excellence for Hispanic Americans, October 12, 2001.
- Executive Order 11478, Equal Opportunity in the Federal Government, dated 8-8-69, which requires the head of each executive department to establish and maintain an affirmative employment program to ensure enforcement of Federal equal employment opportunity policy.
- Executive Order 11246, Nondiscrimination in Federal Contracts, signed 9-24-65, as amended, which governs nondiscrimination and affirmative action in employment by Government contractors.

DOE RESOURCES

- DOE Order 311.1B, Equal Employment Opportunity and Diversity Program
- DOE Guide 311.1A-1: Diversity Program Guidelines

REPORTS PREPARED BY OFFICE OF CIVIL RIGHTS

- Equal Employment Opportunity Data Posted Pursuant to Requirements of the No FEAR Act.
- Federal Equal Employment Opportunity Recruitment Program (FEORP) and Disabled Veterans Affirmative Action Program
- (DVAP) Certifications for 2003, and accomplishment reports for FY2002.

- FY 2002 Report on the Department's Enforcement of Section 308(a) of the Age Discrimination Act of 1975.
- FY2001 Accomplishment Report and FY2002 Plan Update for the Hiring, Placement and Advancement of People with Disabilities.
- Statistical Data Report of Costs of Implementing the Limited English Proficiency Executive Order.
- FY2002 Report of Workload and Performance Data Requirements for Agencies that Administer Federally Assisted Programs Subject to Executive Order 12250.
- FY 2003 EEO Statistical Report of Discrimination Complaints.

2003

ANNUAL REPORT