

Congress of the United States
Washington, DC 20515

May 25, 2016

Secretary Thomas E. Perez
United States Department of Labor
200 Constitution Ave NW
Washington, DC 20210

Dear Secretary Perez:

The Congressional Black Caucus Diversity Task Force is committed to ensuring that African Americans have the same opportunities available to any other group. Due to the passage of several laws and executive orders within the past half-century, we have seen both minority and veteran employee representation growing in most industries. While all industries have a way to go, we have noticed stark underrepresentation of African Americans in the technology industry.

Lack of African American diversity in the technology industry was first brought to light in 2014 by various media outlets. As a result of this media spotlight, some technology companies elected to voluntarily release their raw Employer Information Report (EEO-1 data), or a similar data set to the public. The numbers from these reports are disappointing to say the least. As of 2014, 13.2 percent of Americans label themselves as African Americans¹. However, African American representation within technology companies whom hold sizable government contracts, is at a substantially lower 4.3 percent².

The data has exposed the virtual exclusion of African Americans from the boardrooms (with the rare exception of Microsoft's Black Chairman), c-suite, executives, and employees. Representation in vendors for professional services and supplies is often even more abysmal. Although this trend is disheartening to us, what is even more alarming is that these companies are allowed to obtain millions of dollars in government contracts. According to Title 41 of the Code of Federal Regulations, "The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin." Additionally "Each prime contractor or subcontractor with 50 or more employees and a contract of \$50,000 or more is required to develop a written affirmative action program for each of its establishments."

In theory all companies meeting this threshold are required to have a thorough affirmative action plan that analyzes the representation of minorities in both recruitment and advancement. However, it has come to our attention that corporations are not required to submit such a plan to your department until they are chosen as one of the 4,000 corporations which will be analyzed yearly by the Office of Federal Contract Compliance Programs. From our understanding there are around 200,000 companies vying for our nation's government contracts annually. Therefore only 2 percent of these companies are analyzed each year on diversity and veteran requirements.

Finally, it is alarming how many companies are able to secure government contracts without any checks and balances on their company's diversity efforts, plans, and supporting data. Each company is essentially

¹ <https://www.census.gov/quickfacts/table/PST045215/00>

² https://docs.google.com/spreadsheets/d/1-uEFTTrJvV9JJk5vaXgK9eL_HytN8qcS-FxPtBZmcQPY/edit?pref=2&pli=1#gid=0

playing a game of roulette with the Office of Federal Contract Compliance Programs, where the odds are 50/1 in the companies favor. The Code of Federal Regulations is not a game, it is the law, and companies should not be allowed to cheat the house or more importantly, the American people.

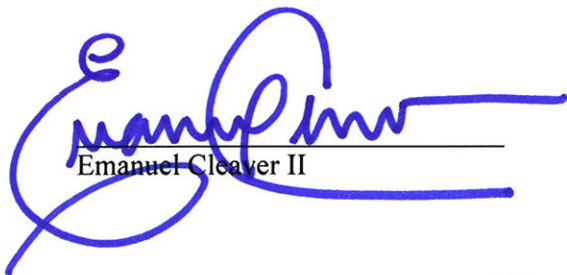
When companies are able to skate around such laws it directly undermines our ability to prevent exclusion of certain citizens in the workplace and in contract opportunities. The data suggests that African Americans are not afforded the same opportunities to compete as their White counterparts in the technology sector. This leads us to believe that the vast majority of technology companies holding government contracts are in violation of Title 41 of the Code of Federal Regulations, a violation that should be addressed with the utmost urgency.

As the demand for technology worldwide increases, and it becomes a core component of our government's functionality, this challenge will only become greater. It is critical that we work diligently to solve this problem with the fierce urgency of now.

Additionally, we urge technology companies to work with the Department of Labor to continue to take strides in advancing African American diversity within their industry.

Thank you for your attention to this matter. The Task Force looks forward to working with you.

Warmest regards,



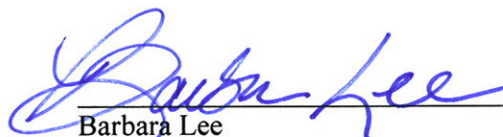
Emanuel Cleaver II



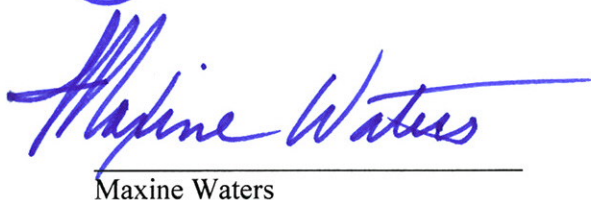
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