



Diversity, Equity, and Inclusion Program:
Clarify actions and evaluate results to advance racial equity

November 2021
A Report by the Office of the Auditor

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MEMORANDUM

To: Lynn Peterson, Council President
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Juan Carlos González, Councilor, District 4
Mary Nolan, Councilor, District 5

From: Brian Evans, Metro Auditor

Re: Audit of Metro's Diversity, Equity, and Inclusion Program

This report covers the audit of the Diversity, Equity, and Inclusion (DEI) program. The purpose was to determine if coordination was effective to implement Metro's Strategic Plan to Advance Racial Equity, Diversity, and Inclusion and if there were practices Metro should strengthen to report on, measure, and implement its workforce diversity objective.

The audit found that Metro made progress on most of the strategic plan's actions. Efforts were underway across departments, including the DEI Program, to implement the strategic plan. However, there were gaps in Metro's implementation process. We also found that Metro's workforce diversity reports would benefit from additional detail. Reviewing detailed results could help Metro target strategies to advance racial equity within its workforce and the region.

We have discussed our findings and recommendations with Marissa Madrigal, COO; Raahi Reddy, DEI Program Director; Sebrina Owens-Wilson, Regional Impact Program Manager; and Cassie Salinas, Organizational Impact Program Manager. A formal follow-up to this audit will be scheduled within five years. We would like to acknowledge and thank all of the employees who assisted us in completing this audit.

Summary

Metro Council adopted the Strategic Plan to Advance Racial Equity, Diversity, and Inclusion (the Plan) in 2016. It had several elements, including five goals, several objectives per goal, and several actions per objective. Each objective was to be achieved within a five-year horizon.

Metro made progress on most of the Plan's actions. Efforts were underway across departments, including the Diversity, Equity, and Inclusion Program, to implement the Plan. However, there were gaps in Metro's implementation process.

We found actions were vague and some responsibilities were not clearly assigned. As a result, actions had not been completed and related objectives had not been achieved. Most in-progress actions lacked detail, which made them difficult to analyze. Teams were not established to implement some actions in our sample. This made it hard to know who was supposed to do what.

Inconsistent monitoring limited Metro's ability to know what resources (time and money) were devoted to each action. As a result, it was difficult to determine what had been achieved with available resources. When conducted consistently, financial monitoring can provide information to determine which efforts are cost-effective.

Evaluation of the Plan's impact had not occurred, which meant reports to Council were the primary source of information about Plan implementation. These reports did not contain sufficient information to assess results for some actions.

We analyzed data from multiple sources to determine whether Metro's workforce resembled the region's diversity. We found a mix of positive results and areas where Metro could improve its workforce diversity. Metro could use this type of analysis to target strategies to underrepresented groups. In general, additional actions to meet Metro's workforce diversity objective would benefit from more focus on performance measures, analysis, and assessment. Reviewing results could help Metro reassess the Plan overall.

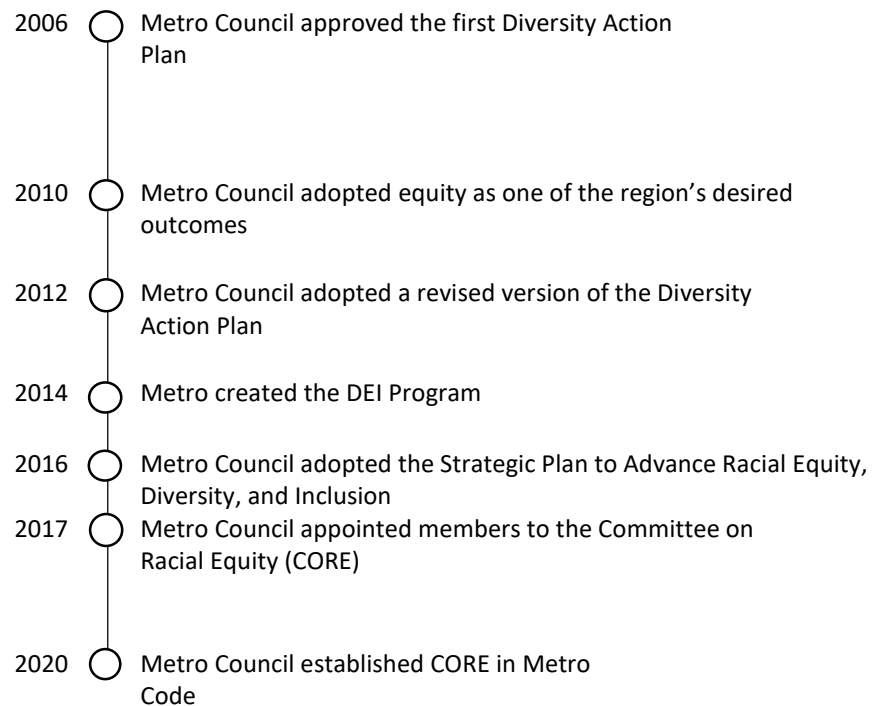
This report includes recommendations to continue progress on implementing the Plan by assigning responsibilities for actions, defining when actions are complete, and monitoring resources. We also made recommendations to increase accountability and comply with Metro Code requirements for oversight of the Plan.

Background

In recent years, employers have focused on diversity, equity, and inclusion (DEI) in the workplace. Diversity refers to differences among people. Those include differences in race, ethnicity, nationality, sex, age, language spoken, income level, disability status, sexual orientation, gender identity, and others. Equity acknowledges that different groups of people require different levels of service to meet their needs. Inclusion refers to the degree to which diverse individuals can participate in an activity.

The DEI Program seeks to change conditions within Metro’s workplace and the region, so that everyone can take part in and enjoy the area’s benefits. Those include clean air and water, quality jobs and living wages, and stable and affordable housing.

Exhibit 1 DEI milestones



Source: Auditor’s Office analysis of Metro records.

Metro’s DEI efforts started over 15 years ago. Metro Council (Council) approved Metro’s Diversity Action Plan (DAP) in 2006. The DAP was focused on addressing issues like racism at the interpersonal level, or between individuals. In 2010, Council adopted equity as one of the region’s six desired outcomes. It adopted a revised version of the DAP in 2012.

Council also launched the effort to develop a strategic approach to incorporating equity into policy, decision-making, and programs in 2012. The effort culminated in the Strategic Plan to Advance Racial Equity, Diversity, and Inclusion (the Plan). Metro created the DEI Program in September 2014. DEI Program staff gathered input from local leaders and Metro staff to inform the Plan. It was adopted by Council in 2016.

Compared to the DAP, the Plan had a narrower and more explicit focus on racial equity. It had several elements, including five goals, several objectives per goal, and several actions per objective. Each objective was to be achieved within a five-year horizon. The Plan also called for each department and venue to develop its own specific equity plan.

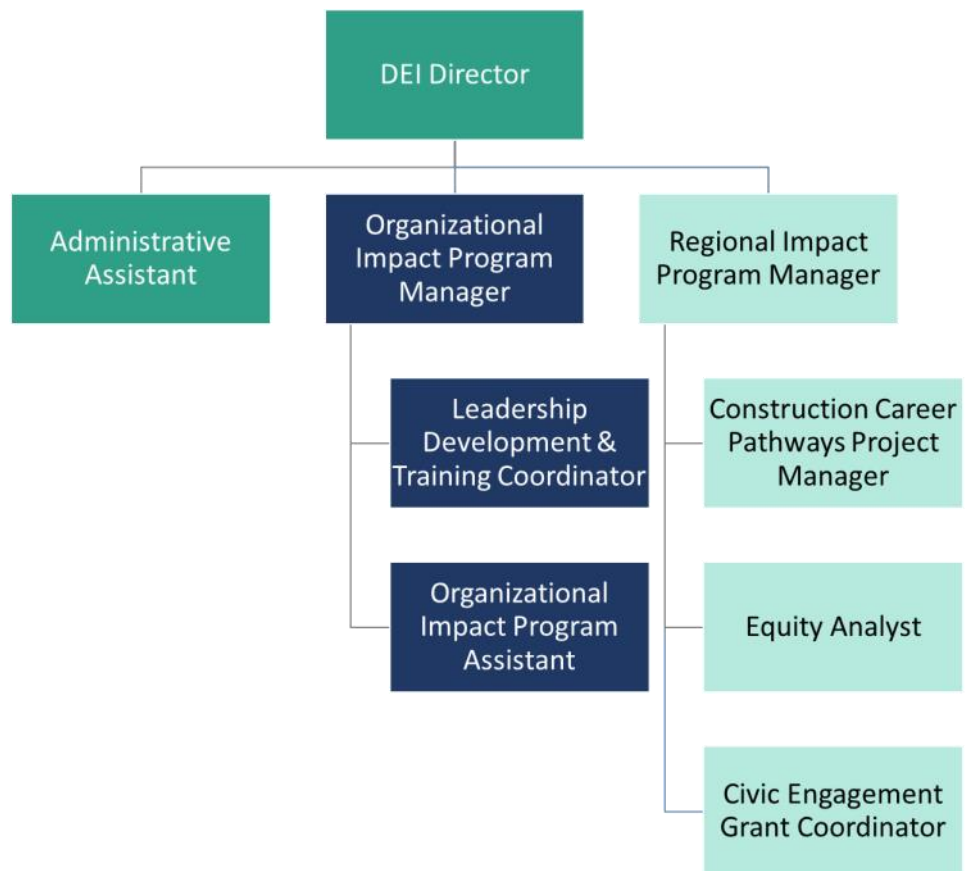
Exhibit 2 The Plan had five goals, several objectives, and many related actions to advance racial equity

Objectives	Number of Actions
Goal A: Metro convenes and supports regional partners to advance racial equity	
<ol style="list-style-type: none"> 1. Convene regional partners to advance coordinated regional equity efforts 2. Provide technical support to regional jurisdictions to advance equity efforts 3. Produce and provide research and information to support regional jurisdictions in advancing equity efforts 4. Work with regional partners to increase the utilization of local minority, women, and emerging small businesses and the number of skilled construction tradespeople of color 	7
Goal B: Metro meaningfully engages communities of color	
<ol style="list-style-type: none"> 1. Establish and strengthen relationships with communities of color 2. Increase accountability by ensuring community involvement in the evaluation and implementation efforts 3. Increase participation of communities of color in Metro decision-making 	18
Goal C: Metro hires, trains, and promotes a racially diverse workforce	
<ol style="list-style-type: none"> 1. Metro’s culture supports staff’s ability to advance regional equity 2. Increase the skills of staff in advancing regional equity 3. Racial makeup of Metro staff at every level more closely resembles the demographics of the region 	29
Goal D: Metro creates safe and welcoming services, programs, and destinations	
<ol style="list-style-type: none"> 1. Increase the number of individuals of color who access Metro services and facilities 2. Metro’s properties are more welcoming and reflective of all cultures 3. Increase the accessibility and relevance of Metro’s programs and services to communities of color 	10
Goal E: Metro’s resource allocation advances racial equity	
<ol style="list-style-type: none"> 1. Increase the utilization of equity criteria in resource allocation 2. Advance social equity contracting at Metro 	13

Source: Auditor’s Office summary of Metro’s Strategic Plan to Advance Racial Equity, Diversity, and Inclusion (June 2016).

The DEI Program was in the Chief Operating Officer (COO)’s Office. DEI Program staff were organized into two teams: an organizational impact team and a regional impact team. The organizational impact team focused on internal workforce diversity and training. It also supported employee resource groups (ERGs) for people of color and LGBTQ+ employees. ERGs provided paid time and space for employees with shared life experiences to connect with each other. The regional impact team focused on diversifying the region’s construction workforce, applying a racial equity lens to Metro policy, and managing grants to build the capacity of community-based organizations for civic engagement. A director and administrative assistant supported both teams.

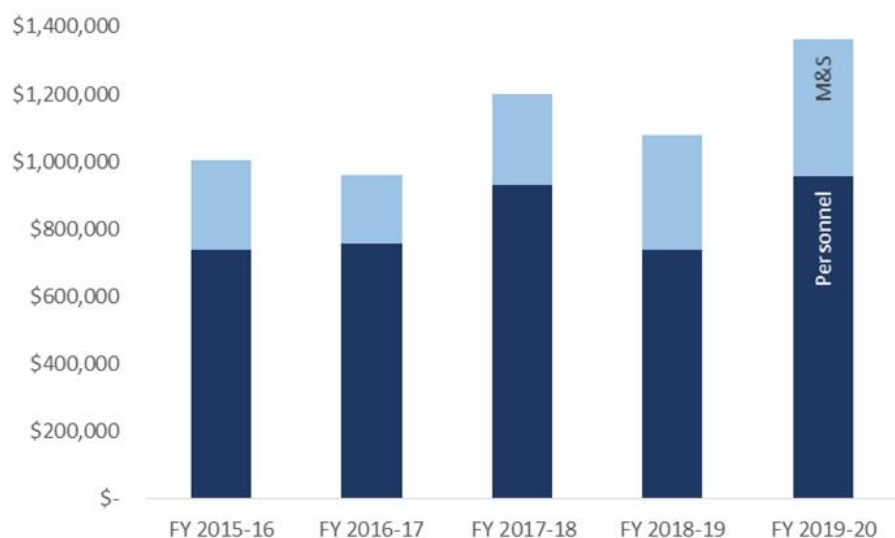
Exhibit 3 The DEI Program included a director and eight staff



Source: Auditor’s Office visualization of Metro’s organizational chart.

Metro’s budget provided funding for programs and activities to support DEI across departments in addition to funding for the DEI Program itself. The DEI Program’s expenditures totaled \$1.4 million in fiscal year (FY) 2019-20. Personnel costs accounted for about 70% of the total. Other expenditures included things like awareness events and training contractors. They did not include spending on DEI efforts by other departments, such as Partners in Nature and Access to Nature programs. Those programs were designed to connect communities of color to Metro’s parks, trails, and natural areas, and make them more welcoming to diverse communities.

Exhibit 4 DEI Program expenditures increased by 36% from FY 2015-16 to 2019-20



Source: Auditor's Office analysis of expenditure data in Metro's financial system (PeopleSoft).

The Committee on Racial Equity (CORE) was created in 2017 to provide community oversight on implementation of the Plan. Council established CORE in Metro Code in 2020 to formalize its role and allow it to continue its work indefinitely. It included up to 15 volunteer members, including two co-chairs, two Council liaisons and one Metropolitan Exposition Recreation Commission liaison.

CORE was required to make at least one presentation to Council per year. It was also required to provide written and oral reports to Council about:

- Implementation of Plan goals, objectives, and action items.
- Successes, challenges, and adjustments in the implementation of the Plan and department- and venue-specific action plans.
- Development and implementation of evaluation measures for the Plan at the goal, objective, and action item levels.

In recent years, several changes resulted in a series of additional DEI-related commitments. In March 2020, the COVID-19 pandemic forced closure of Metro's visitor venues and spurred a series of budget cuts to keep critical operations intact. The DEI Program analyzed the equity impact of employee layoffs. After the murder of George Floyd in May 2020, Councilors began participating in Reimagine Oregon, an initiative focused on dismantling systemic racism. The agency also started to reexamine its relationship with policing, security, and incarcerated labor. Metro leadership also called for a Black ERG to be started that summer.

These changes, plus the development of an agency-wide strategic framework, present the opportunity for Metro to reassess the agency's DEI goals. The COO proposed a strategic framework in 2021 to inform department planning and decision-making. The framework identified racial justice as a guiding principle. As Metro begins to rebuild its operations, agency leadership can also seize the opportunity to rethink the strategic approach to advancing racial equity.

Results

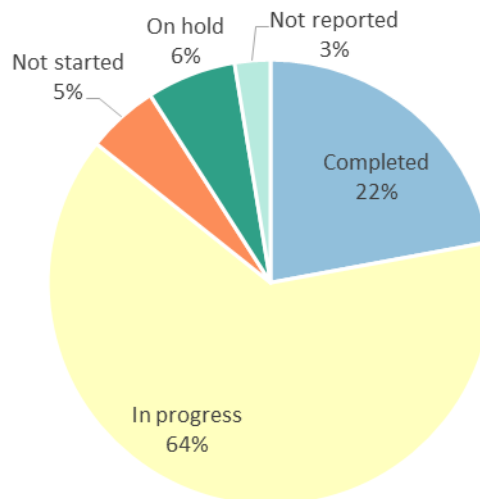
Metro made progress on most of the Plan's actions. Efforts were underway across departments, including the DEI Program to implement the Plan. However, there were gaps in Metro's implementation process. We found:

- Actions were vague and some responsibilities were not clearly assigned
- Monitoring resources to complete actions was inconsistent
- Information was limited to assess some results

We also found that Metro's workforce diversity reports would benefit from additional detail. Reviewing detailed results could help Metro target strategies to advance racial equity within its workforce and the region.

According to information reported to Council through May 2021, 17 of the Plan's 77 actions were completed. Four actions were not started. Five actions were put on hold and another two actions were not reported, which left 49 actions that were in progress.

Exhibit 5 64% of the Plan's actions were in progress



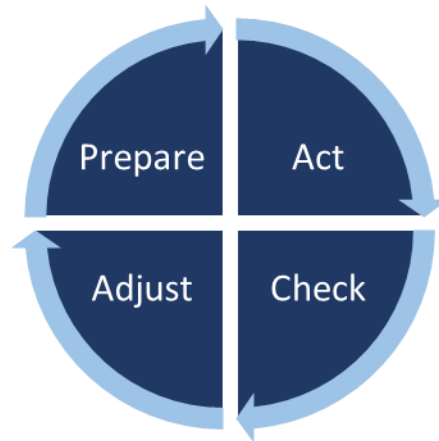
Source: Auditor's Office analysis of Metro's Strategic Plan to Advance Racial Equity, Diversity, and Inclusion and progress reports.

Metro's implementation process for the Plan had four steps:

1. **Prepare:** Identify and assign resources to complete actions
2. **Act:** Take actions
3. **Check:** Evaluate goals, objectives, and actions
4. **Adjust:** Assess findings and create recommendations for improvement

The Check step was supposed to culminate in an evaluation report, which would restart the process at the Prepare step. The agency committed to update its Plan within five years of implementation.

Exhibit 6 The implementation process outlined in the Plan



Source: Auditor's Office visualization based on Metro's Strategic Plan to Advance Racial Equity, Diversity, and Inclusion (June 2016).

There were gaps in the Prepare and Check steps, which posed barriers to the Act and Adjust steps. Actions were difficult to complete because they lacked detail and responsibilities were not clearly assigned for some of them. Metro also lacked information about the time and money it invested in completing some actions. Evaluation of the Plan's impact had not occurred, which meant reports to Council were the primary source of information about Plan implementation. These reports did not contain sufficient information to assess results for some actions.

We analyzed a sample of action items across the Plan's goals. We also focused our work on Metro's objective to improve workforce diversity (Objective 3 of Goal C). We chose this objective for further analysis because implementation had not progressed as far as some others. We also recognized that diversifying Metro's workforce could make it easier to achieve other Plan goals.

Because information was lacking on Metro's objective to improve workforce diversity, we used other data sources to analyze results. We compared the racial and ethnic composition of Metro's workforce in 2016 and 2020 to the region's population in 2019. Our analysis showed a mix of positive results and areas where Metro could improve its workforce diversity. Metro could use this type of analysis to target strategies to underrepresented groups. We also identified best practices that could inform these strategies.

Two weaknesses kept Metro from moving forward to the Act step of the implementation process. As a result, actions had not been completed and related objectives had not been achieved.

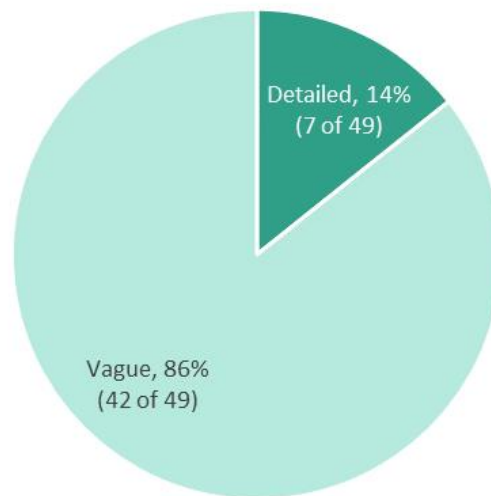
First, most of the actions we planned to analyze were vague. Their descriptions lacked sufficient detail to know when they were completed and to clarify what was supposed to be done. For example, one action read: "Identify and propose new opportunities for staff across Metro to develop

Actions were vague and some responsibilities were not clearly assigned

and deepen relationships in formal and informal settings.” This action was related to Metro’s objective to improve staff’s ability to advance regional equity (Objective 1 of Goal C). The description did not mention which staff to focus on, nor explain what the settings were. Specifying a department and providing an example of each setting would help those responsible understand where to start.

Most in-progress actions lacked detail, which made them difficult to analyze. Lack of detail reduced clarity about whether actions would be ongoing or onetime efforts. In addition, the way some actions were described made it difficult to know what was supposed to be done. That meant seven actions were suitable for our analysis.

Exhibit 7 Only 14% of the Plan’s in-progress actions were detailed enough to know if they were completed










Source: Auditor’s Office analysis of the Plan’s actions, based on information reported to Council in May 2021.

Second, responsibilities were not clearly assigned for some actions in our analysis. We found responsibilities were unclear for four of them. In those cases, there was not an understanding of responsibility to complete the action. For example, it was unclear who was accountable for completing the project to create a system to better coordinate engagement with communities of color. That project had not been completed, despite two years of work. Those in key roles indicated that accountability for the project would have helped it move forward.

Metro was unable to complete another action in our sample: “Develop an internal and external communication strategy to convey Metro’s leadership commitment to diversity, equity, and inclusion.” This happened, in part, because there was not a shared understanding of it. Clear language and assignment of responsibility would have helped Metro begin the action.

Exhibit 8 There were gaps in assignment and, as a result, objectives had not been achieved

Objective	Action	Assignment
Goal B: Metro meaningfully engages communities of color		
1) Establish and strengthen relationships with communities of color.	Create a system to better coordinate engagement with communities of color across Metro departments. This system should include the maintaining of a record of community-based organizations' involvement with Metro to support relationship continuity.	
2) Increase accountability by ensuring community involvement in the evaluation and implementation efforts.	Utilize the racial equity analysis and decision-support tool on four pilot projects representing each of Metro's four lines of business: garbage and recycling, land use and transportation, parks and nature, and venues.	
	Develop equity performance measures to include within Metro's balanced scorecard.	
Goal C: Metro hires, trains, and promotes a racially diverse workforce		
1) Metro's culture supports staff's ability to advance regional equity.	Adopt policy that Metro management positions must attend required DEI related trainings.	
	Develop an internal and external communication strategy to convey Metro's leadership commitment to diversity, equity and inclusion.	
3) Racial makeup of Metro staff at every level more closely resembles the demographics of the region.	Create agency-wide policies regarding intern diversity and compensation.	
Goal D: Metro creates safe and welcoming services, programs, and destinations		
3) Increase the accessibility and relevance of Metro's programs and services to communities of color.	With the direct support of the DEI program, expand the pilot for developing a specific plan of action to advance equity within the programs, services, plans, and policies of each remaining department and venue within 12 months.	



Clearly assigned



Somewhat clearly assigned



Not clearly assigned

Source: Auditor's Office analysis of interviews and supporting documentation.

Monitoring resources to complete actions was inconsistent

Teams were not established to implement some actions in our sample, so responsibilities were not clearly assigned. This made it hard to know who was supposed to do what. During the Prepare step, members of Metro’s senior management were supposed to identify teams to complete actions. The senior management group was also supposed to assign a senior management sponsor to ensure accountability for its completion. These practices were consistent with research on local governments that excel in advancing DEI.

In two instances, pairs of departments were identified to complete an action. However, teams were not clearly created to bring them together. For example, Communications and Information Services were responsible for creating a system to better coordinate engagement with communities of color. Human Resources and the DEI Program were responsible for developing DEI-related trainings.

In the other two instances, single departments were identified, but subunits within them were not chosen. This was the case for developing specific equity plans within Communications and Portland’s Centers for the Arts. Internal control standards require that management assign responsibilities to discrete units, such as divisions or offices, to achieve its objectives.

By contrast, a work group was assembled to create an agency-wide racial equity analysis and decision-support tool. Its members included an executive sponsor and project manager from the DEI Program, as well as representatives from departments and venues. This helped ensure accountability for the project. As a result, the tool was developed in 2021.

Inconsistent monitoring limited Metro’s ability to know what resources (time and money) were devoted to each action. As a result, it was difficult to determine what had been achieved with available resources, or if they were sufficient to complete actions. We found that:

- resources were not always invested in completing actions in our sample;
- resources to complete actions in our sample were rarely monitored; and
- when resources were monitored, different methods were used.

Resources were not spent on one of the actions in our sample: “Develop an internal and external communication strategy to convey Metro’s leadership commitment to diversity, equity, and inclusion.” We learned that resources for developing it were dedicated to efforts that were not included in the Plan.

Resources for completing most of the remaining actions in our sample were not monitored. Expenditures were not tracked for:

- the racial equity analysis and decision-support tool;
- equity performance measures;
- the policy that Metro management positions must attend required DEI-related trainings
- agency-wide policies regarding intern diversity and compensation; and
- specific plans to advance equity within most departments and venues.

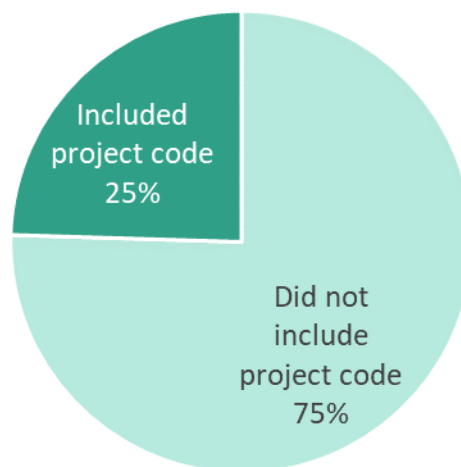
Expenditures were tracked on the tool to improve engagement with communities of color and the Research Center’s plan to advance equity. However, each was monitored differently.

Metro reported that it had spent about \$235,000 on the project to develop a tool. However, it was terminated in 2018. That meant resources were used but results were not delivered.

Communications used Metro’s financial management system to track spending on the tool to improve engagement with communities of color. This made expenditure information readily available for analysis. In comparison, the Research Center used a spreadsheet to estimate expenditures on its equity plan. The spreadsheet contained the number of hours and estimated costs associated with developing the plan. Consistent information could allow costs to be analyzed more accurately and efficiently across departments. This would make financial information easier to share with internal and external stakeholders.

We found project codes were not used for most of the DEI Program’s expenditure line items in FY 2019-20. This made it difficult to quantify expenditures across departments. Without tracking, the level of spending could not be determined. We estimated that expenditures across departments, including the DEI Program, totaled about \$2.7 million in FY 2019-20. The estimate indicated about half of the total was spent by the DEI Program and the other half was spent by other parts of the organization that year.

Exhibit 9 In FY 2019-20, only 25% of DEI Program expenditure line items used project codes



Source: Auditor’s Office analysis of expenditure data in PeopleSoft.

We learned that expectations for tracking resources had not been established. Some departments considered their assignments a way of focusing the work they were already doing. In other words, equity was viewed as embedded in existing work, rather than a separate project. That meant separate accounting

codes would not be needed to track spending. Others worried that tracking spending would get in the way of producing results.

When conducted consistently, financial monitoring can provide information to determine which efforts are cost-effective. The Plan committed Metro to identify and track equity actions and investments to be more accountable to the community. It also indicated that financial requirements and staff support to complete each action would be determined during the Prepare step. Doing so would help Metro implement the Plan by aligning actions with available resources.

Information was limited to assess some results

Metro's efforts to assess the Plan's results did not go as expected. The Check step included the evaluation of every goal, objective, and action. The Plan anticipated a participatory evaluation approach to assess impacts. That approach would provide ways for community members and staff to be involved. The evaluation was intended to produce a report that included findings and recommendations for improvement.

The evaluation did not progress beyond the initial phases, which meant there was limited information to assess results. The evaluation process started in 2017, when staff, a CORE subcommittee, and community members came together to develop performance metrics. We were told the evaluation was put on hold after participants raised concerns about its approach, and that it was slated to restart in 2021.

In the absence of evaluation data, reports to Council were the primary source of information about Plan implementation. We found these reports did not contain sufficient information to assess results. Our review focused on a sample of seven measurable actions related to Metro's objective to improve workforce diversity. We chose this objective because implementation was not as far along as some others. In addition, having a diverse workforce may help Metro accomplish other Plan goals, such as Goal B: "Metro meaningfully engages communities of color."

The Government Alliance on Race and Equity (GARE) reported that evaluating racial equity requires developing measures of quantity, quality, and outcomes. GARE recommended that government agencies start by defining their desired outcomes, then determine the work necessary to achieve them. Organizations can measure the quantity and quality of that work to assess progress toward their racial equity outcomes.

Exhibit 10 Effective racial equity measures answer questions about quantity, quality, and outcomes



Source: Auditor's Office visualization of Erika Bernabei's "Racial Equity: Getting to Results" (Government Alliance on Race and Equity, July 2017).

Reports to Council were required to focus on implementation and evaluation measures for Plan goals, objectives, and actions, as well as successes, challenges, and adjustments to the Plan. We reviewed three years (2018-2021) of oral and written reports to Council, as well as CORE meeting minutes. The reports we reviewed did not contain information to answer questions about quantity, quality, or outcomes.

We found weaknesses with some of the reports we reviewed. For example, some reports mentioned Metro's use of diverse hiring committees, including one that listed it as a best practice. However, those reports did not quantify the number of recruitments with diverse hiring committees or evaluate whether the use of those committees led to improved outcomes for underrepresented groups. If diverse hiring committees are considered an agency best practice, then measures of quantity could help Metro gauge how frequently they are used across departments. Outcome measures would also help Metro determine what additional strategies might be necessary to achieve its goals.

The reports we reviewed focused on the implementation status of each action, but lacked data about the outcomes of these actions. Written reports to Council provided the most detail on specific actions. These reports rated each action as either not started, in progress, or complete. They also included a brief narrative summary of work done for each action. Understanding the status of actions is important, but it does not provide enough information to evaluate whether actions are achieving the desired results.

A lack of outcome data and limited time for review made it difficult for CORE to recommend adjustments to the Plan. CORE subcommittee meetings appeared to stop in 2019. These meetings provided an important opportunity for CORE members to engage with the Plan in greater detail. Without them, there was limited time available to review Plan progress during general meetings. For example, in 2020 less than 40% of general meetings focused on specific Plan objectives or actions. Ensuring CORE has sufficient time and information to review results would help Metro fulfill its promise to be accountable to the community.

Reviewing detailed results could help target Metro's workforce diversity strategies

Other reports on Metro's workforce diversity covered some areas of best practice, but would benefit from additional detail. We compared Metro's workforce diversity at multiple levels to the regional population. Our analysis showed how Metro could analyze data in greater detail to target workforce diversity strategies.

We analyzed reports and data to demonstrate how Metro could implement the Check and Adjust steps for its objective to improve workforce diversity (Objective 3 of Goal C). This objective stated: "Racial makeup of Metro staff at every level more closely resembles the demographics of the region."

Reports to Council lacked data, in part, because Metro had not clearly defined how to measure results for this objective. For example, it was not clear what "at every level" meant, or at what point the workforce would be considered to more closely resemble the region. We consulted best practices to determine how Metro could improve how it measures workforce diversity. Those practices included:

- Comparing the workforce to the regional population
- Disaggregating by race, instead of combining all people of color into one category
- Measuring diversity in more detail:
 - * across job functions
 - * across the organizational hierarchy
 - * by union representation

Measuring across job functions can help identify barriers to improving diversity among positions that require different skills and experience. We defined job function in two ways:

1. **Classifications** of jobs with similar work such as professionals, technicians, and service-maintenance workers
2. **Departments** that may require industry specific knowledge, skills and experience such as solid waste management, venue operations, and planning

Measuring diversity across the organizational hierarchy can help identify whether certain demographic groups face barriers to upward mobility. We evaluated diversity across the hierarchy by looking at employee management status and wage level. Measuring diversity by union representation can help determine whether non-represented and represented positions have similar rates of diversity.

We evaluated four reports on Metro's workforce diversity using these best practices. Those reports included Metro's online Equity Dashboard, which provides interactive displays of workforce diversity data, and three workforce diversity reports prepared for federal agencies.

The reports covered some aspects of best practice. All four reports included analyses that disaggregated by race. They also measured diversity across different job functions. The Equity Dashboard included a comparison of Metro's overall workforce to the regional population.

All four reports also had had limitations that made them less user-friendly for measuring workforce diversity. None of the reports compared analyses by job function or hierarchy to the regional population. Measures of diversity across the hierarchy were incomplete or difficult to interpret. For example, the Equity Dashboard measured diversity by management status and wage, but it used drop-down menus that made it difficult to view multiple categories at a time.

Exhibit 11 Four reports on Metro’s workforce diversity covered some areas of best practice, with some gaps

	Equity Dashboard	Affirmative Action Program	Affirmative Action Supplemental Report	Equal Employment Opportunity-4 Report
Compares to region	Partial ¹	No	No	No
Disaggregates by race	Yes	Partial ³	Yes	Yes
Measures by job function	Partial ^{2,3}	Yes	Yes	Yes
Measures by hierarchy	Partial ²	No	Partial ⁴	Partial ⁵
Measures by union representation	No	No	No	No

¹Only compares to the region for one analysis

²Drop down menus make comparisons difficult

³Some analyses combine all people of color into one category

⁴Uses a salary code instead of wage, which is difficult to interpret

⁵Wage data only includes full-time employees

Source: Auditor’s Office analysis of Equity Dashboard, 2019 Affirmative Action Program, and 2019 EEO-4 reports.

We used data from some of these reports to examine how closely Metro’s workforce resembled the demographics of the region. Our analysis was designed to show how Metro could measure diversity in more detail. We analyzed data at three levels to address gaps in Metro’s existing workforce diversity reports. Those levels included management status (manager/non-manager), union representation (represented/non-represented), and department.

First, we tested whether Metro’s workforce at each level resembled the region’s population. To do this, we compared Metro workforce diversity data to American Community Survey estimates of the region’s 2019 population, since 2020 estimates were not yet available. Our analysis included the following race and ethnicity categories:

- American Indian & Alaska Native
- Asian American
- Black & African American

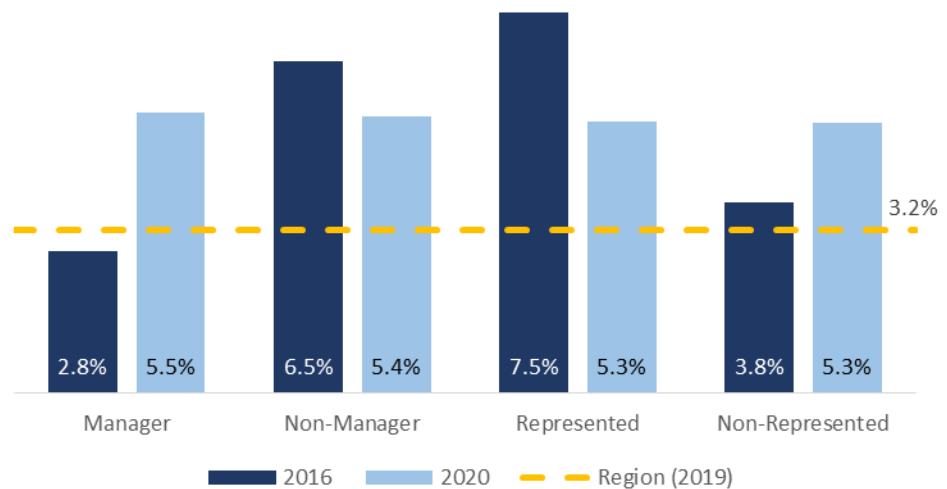
- Hispanic & Latino
- Native Hawaiian & Pacific Islander
- Two or more races (multiracial)
- White

Employees can choose not to disclose their race and ethnicity. Because of this, our results may not provide a complete picture of Metro’s diversity. According to our analysis, about 12% of employees had not disclosed their race and ethnicity as of 2020.

Second, we analyzed whether representation of each race and ethnicity improved from 2016 to 2020.

We found a mix of positive results and areas where Metro could improve its workforce diversity. One positive trend was that Metro’s workforce in 2020 consistently resembled the region's American Indian & Alaska Native and Black & African American populations. For example, over 5% of Metro’s managers, non-managers, represented and non-represented employees identified as Black & African American, compared to 3.2% in the tri-county region. However, the percentage employees decreased from 2016 to 2020 for some levels.

Exhibit 12 Metro’s Black & African American workforce resembled the region in 2020



Source: Auditor’s Office analysis of Equity Dashboard, PeopleSoft, and American Community Survey data.

Another positive trend was that Metro’s Hispanic & Latino and multiracial populations improved from 2016 to 2020, although they did not yet resemble the region. In the tri-county region, 12.6% of the region’s population identified as Hispanic & Latino in 2019.

While Metro’s Hispanic & Latino workforce had not reached this threshold, it had improved. In 2020, 8.9% of non-represented employees identified as Hispanic & Latino, compared to 6% in 2016. Metro’s multiracial workforce

in 2020 (3.8%) was getting close to resembling the region’s population (4.2%) for non-represented employees. These results indicate that Metro has used some successful strategies that could be continued or expanded.

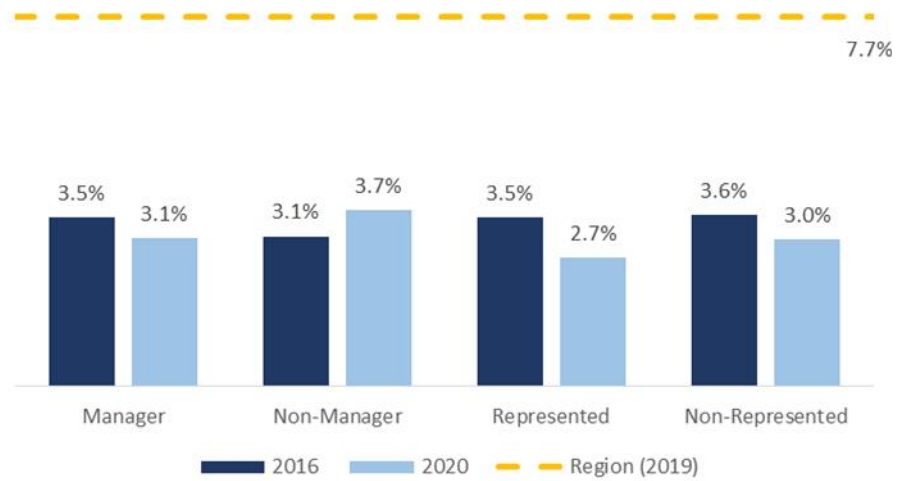
Exhibit 13 Metro’s Hispanic & Latino workforce improved, but did not resemble the region



Source: Auditor’s Office analysis of Equity Dashboard, PeopleSoft, and American Community Survey data.

There were two areas where less progress was made. The first was representation of Asian American employees, which did not improve from 2016 to 2020 for most levels. Nearly 8% of the region’s population identified as Asian American, but less than 4% of Metro’s managers, non-managers, represented, and non-represented employees identified as Asian American in 2020. Metro’s Asian American representation also decreased from 2016 to 2020 for some of the levels analyzed. In 2016, 3.5% of represented employees identified as Asian American, compared to 2.7% in 2020.

Exhibit 14 Metro’s Asian American workforce did not resemble the region

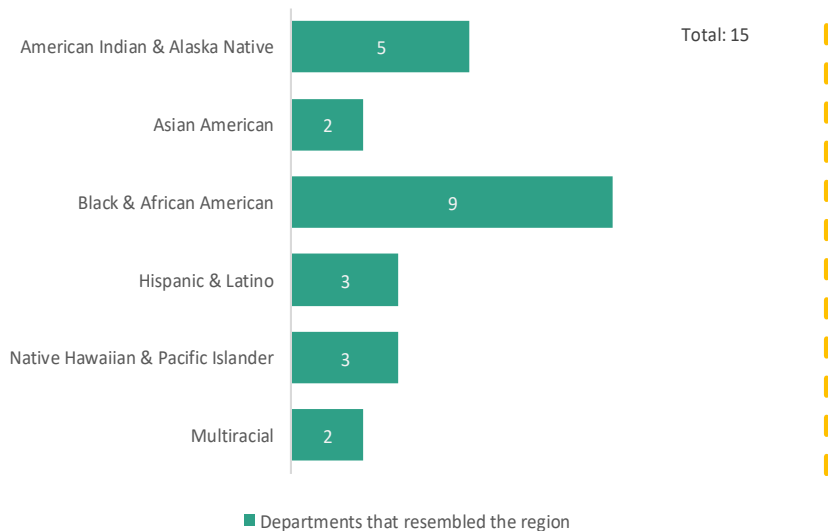


Source: Auditor’s Office analysis of Equity Dashboard, PeopleSoft, and American Community Survey data.

Representation within departments was another area where Metro could improve. Less than a quarter of Metro’s departments resembled the region’s Asian American, Hispanic & Latino, multiracial, and Native Hawaiian & Pacific Islander populations. Also, over 50% of departments did not improve the representation of American Indian & Alaska Native, Asian American, or Native Hawaiian & Pacific Islander populations. One exception was Black & African American employees—over half of Metro departments resembled the region.

There were also some positive trends among departments. For example, at least 40% had increases in Hispanic & Latino and multiracial populations from 2016 to 2020. Some departments (27%) also had increases in Asian American employees from 2016 to 2020.

Exhibit 15 Few departments resembled the region’s diversity in 2020



Source: Auditor’s Office analysis of Equity Dashboard and American Community Survey data.

Measuring workforce diversity at multiple levels could help Metro target additional strategies. We identified best practices from professional literature and compared them to actions contained in Metro’s objective to improve workforce diversity. We grouped the practices into five categories:

- **Recruitment** includes building relationships with community-based organizations, professional associations, educational institutions and other stakeholders, and analyzing personnel policies and practices for implicit bias and institutional racism.
- **Hiring** includes focusing job descriptions on required skills, including skills to advance racial equity, and using hiring interviews to help assess a candidate’s knowledge of racial equity.
- **Retention** includes mentoring employees and investing in ERGs.
- **Professional Development** includes performance reviews and training that builds skills to advance racial equity.
- **Performance Measurement** includes analyzing workforce data to identify and understand challenges within the organization and establishing performance measures to assess results and impact(s).

Our analysis showed that some actions contained in Metro’s objective to improve workforce diversity reflected best practices. Our analysis also showed that best practices could inform additional actions.

In general, additional actions to meet Metro’s workforce diversity objective would benefit from more focus on performance measures, analysis, and assessment. Specifically, Metro could supplement quantitative measures with:

- qualitative measures to assess employee understanding of racial equity and actions to advance racial equity; and
- process measures to track use of a racial equity tool in changing institutional policies and practices.

Metro could also analyze hiring processes to determine if there are particular points where there is a greater attrition rate for underrepresented groups. In addition, Metro could analyze qualitative data to deepen understanding of workplace challenges and root causes of underrepresentation. Focus groups and surveys are two ways to gather qualitative data.

To develop employees, Metro could assess their level of competency in working with diverse employees and communities. Having a set of questions would facilitate assessment. Conducting interviews to assess employee safety, trust, and belonging could also help Metro retain employees.

Before new actions are proposed, Metro should first review results of past actions to achieve its objectives to improve workforce diversity. Then it can consider opportunities for adjustment. For example, our analysis identified some underrepresented groups in Metro’s workforce compared to the region, such as Asian Americans. Metro could draw from best practices to identify strategies to increase representation of those groups. Those

strategies could include building relationships with community-based organizations or developing department-level recruitment plans tailored to increase applications from underrepresented groups. Metro could then track recruitment outcomes to determine whether those strategies were effective.

Reviewing results could help Metro reassess the Plan overall. As the Plan reaches its five-year horizon in 2022, Metro will need to determine which courses of action it will take to improve equity in the region. It could minimize adjustments to the Plan's goals to maintain its direction. This would help Metro build trust with communities and staff that informed it.

However, recent events, such as the pandemic, wildfires, and the fight for Black Lives, have prompted changes to Metro's strategies for parks, housing, and garbage and recycling. Thus, the path to advance racial equity may require changes as well. Those changes could include reducing the number of goals to focus attention on the most critical issues affecting the region, or prioritizing goals to improve their usefulness in allocating resources. To determine the extent to which the Plan's goals and objectives are being met, and how to target strategies to achieve them, Metro should review results more frequently.

Recommendations

To increase Metro's progress to advance racial equity, the COO, Deputy COO, General Manager of Visitor Venues, DEI Program Director, and department and venue directors should:

1. Prepare to take actions by:
 - a. Assigning responsibilities for actions to specific units or roles
 - b. Defining when actions are complete and what is expected
 - c. Establishing a consistent method to monitor resources for implementing actions

To increase Metro's accountability to the community and fulfill requirements in Metro Code, the DEI Program Director should:

2. Evaluate results by:
 - a. Developing performance measures to determine whether each related goal and objective is being met
 - b. Measuring and reporting results annually
3. Adjust strategies to advance racial equity, beginning within Metro's workforce, by:
 - a. Identifying whether new strategies are needed
 - b. Consulting best practices for innovations
4. Reestablish CORE subcommittees to allow more time to review results of the Plan's goals, objectives, and action items

Scope and methodology

Our audit had two purposes. The first was to determine if coordination was effective to implement Metro’s Strategic Plan to Advance Racial Equity, Diversity, and Inclusion (the Plan). The second was to determine if there were practices Metro should strengthen to report on, measure, and implement Goal C; Objective 3: to ensure racial makeup of Metro staff at every level more closely resembles the demographics of the region. Our audit objectives were to determine:

1. if there were ways to improve performance reporting regarding implementation of Goal C; Objective 3;
2. if there were ways to improve the use of workforce diversity best practices to implement Goal C; Objective 3;
3. if coordination was sufficient to implement a sample of actions across all Plan goals.

We focused our audit on implementation of Plan objectives and actions from fiscal year 2016-17 to September 2021. To develop our audit objectives, we reviewed the Plan, the Diversity Action Plan, department equity plans, budget documents, policies, progress reports, and relevant laws and requirements. We reviewed professional literature, including racial equity best practices and relevant audits from Metro and other jurisdictions.

We interviewed managers and staff from multiple departments to familiarize ourselves with Plan implementation. Those departments included the COO’s Office, Communications, Human Resources, Office of Metro Attorney, Oregon Convention Center, Parks and Nature, and the Research Center. We also interviewed members of Metro Council, Metropolitan Exposition Recreation Commission, the Committee on Racial Equity, and a racial equity consultant. We attended meetings of Metro Council and the Committee on Racial Equity and reviewed meeting information.

To complete our audit objectives, we reviewed relevant documentation, including performance reports, meeting materials, and professional literature. We compared Metro’s practices to best practices for budget monitoring, internal control, and workforce diversity implementation, measurement, and reporting from:

- Government Accountability Office
- Government Alliance on Race and Equity
- Government Finance Officers Association
- International City/County Management Association
- Multnomah County

To assess Metro’s workforce diversity reporting practices, we selected a judgmental sample of actions from Goal C; Objective 3. We reviewed existing progress reports to determine whether they contained information to assess the quantity, quality, or outcomes of those actions. Our review included oral and written reports to Metro Council and Committee on Racial Equity meeting materials from 2018 to 2021. We obtained, reviewed, and compared data from Metro’s Equity Dashboard, Affirmative Action

Program, and EEO-4 reports to workforce diversity measurement best practices.

We analyzed data from multiple sources to determine whether Metro's workforce resembled the region's diversity. Those sources included the Equity Dashboard, PeopleSoft, and the U.S. Census Bureau's American Community Survey. Our analysis included three levels: management status (manager/non-manager), union representation (represented/non-represented), and department.

We compared Metro's workforce by race and ethnicity in 2016 and 2020 to American Community Survey five-year population estimates for Clackamas, Multnomah, and Washington counties. Because five-year estimates were not yet available for 2020, we compared Metro's workforce to the region's 2019 population.

We defined "resembling the region" as meeting or exceeding the representation of a race or ethnicity in the regional population (Multnomah, Washington, and Clackamas counties). We defined "improved" as representation that did not resemble the region, but increased from 2016 to 2020. We defined "did not improve" as the lack of an increase.

To review coordination of Plan implementation, we selected a sample of actions across three goals (B, C, and D). We reviewed progress reports and consulted DEI Program staff to identify which departments were responsible for implementing each action. To learn how each department assigned responsibility and monitored resources, we interviewed knowledgeable staff and requested supporting documentation from the COO's Office, Communications, Expo Center, Human Resources, Oregon Convention Center, Portland's Centers for the Arts, and the Research Center.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. This audit was included in the FY 2020-21 audit schedule.

Management response

Memo



Date: Friday, November 12, 2021

To: Brian Evans, Metro Auditor

From: Marissa Madrigal, Metro Chief Operating Officer
Raahi Reddy, Director, Diversity, Equity & Inclusion Program

Subject: Management response to Audit of Metro's progress on implementation of the Strategic Plan to Advance Racial Equity, Diversity and Inclusion

Thank you for the opportunity to respond to the audit of the implementation Metro's Strategic Plan to Advance Racial Equity, Diversity and Inclusion (Strategic Plan.) Equity and accountability are important values for Metro and the DEI program. We appreciate the time and attention spent on this critical subject and the recommendations for how the program can continue to strengthen the implementation and evaluation of the Strategic Plan to Advance Racial Equity, Diversity and Inclusion (Strategic Plan).

The past twenty months have impacted Metro in ways that are both unprecedented and disruptive to even the best laid plans. We appreciate that you noted that Metro has been on this journey for over 15 years. However, the pandemic has challenged us to expand the values that drove the plan into new, unplanned domains. You will not find the word "COVID-19" in our original Strategic Plan, but nonetheless, the Strategic Plan served as our north star as we navigated dozens of decisions, small and large, to address the numerous crises we faced.

We used a racial equity lens to understand and mitigate racial disparities during the painful layoffs we were forced to make, ensuring that these decisions did not impact staff of color disproportionately. The plan helped guide our approach to grant making and funding during this time, centering the needs of our most vulnerable community based organizations and COBID firms. And it provided a roadmap for understanding the needs of our staff, which led us to invest 2 in new training for supervisors and teams on trauma informed approaches, fund additional sick leave, and provide three months of healthcare coverage for staff facing layoffs.

With the uprising after the brutal murder of George Floyd, Ahmaud Arbery, and Breonna Taylor, to name just a few of the Black lives lost during 2020, we were propelled into additional bodies of work to support Black communities. Metro was well positioned and equipped to take on this work because of the foundational work done through the Strategic Plan. We helped create and fund a new Black Employee Resource Group, supported the calls to action by Reimagine Oregon for policy changes and new investments, and launched an ambitious agency-wide staff

committee to track, reassess and reimagine our relationships with policing, security and carceral labor. Additionally, we are engaged actively with our People of Color Employee Resource Group in numerous calls to action to improve retention and community right here at Metro.

The Strategic Plan continues to be our north star in the midst of so much flux and ongoing crisis. The DEI program continues to anchor its work in key action items of the Strategic Plan that deepen our commitment to systems change. Our recent work included the creation and adoption of a Metro-wide Racial Equity Framework to guide decision making and deliver on racial equity outcomes in our programs and projects. And we delivered a new Budget Equity Tool for ensuring our budgets invest in our department and venue specific racial equity and inclusion goals. And our Committee on Racial Equity (CORE) continues to be active leader in providing guidance on some of Metro's most meaningful investment measures and programmatic work.

With regards to the recommendation on internal workforce equity, it is a timely one as we begin to build back our staff and operations. The loss of hundreds of Metro staff, furloughs, hiring freezes, and the closing down of operations and programming had a tremendous impact on our ability to fulfill the action items of goal C, in particular as it relates to re-imagining our recruitment and hiring, and retention efforts. However, even in the midst of the crisis some progress was made. A few examples include: formalized equity-related policies and procedures for employees and in hiring efforts to rebuild the workforce in a way that reflected changing needs. Human Resources launched a virtual new employee orientation to support remote onboarding, rolled out a mandatory Supervisory Essentials training program that includes equity-related curriculum, developed a confidential complaint reporting process and implemented a series of Micro-learnings on key workplace policies to support the "Safe & Inclusive Workplace" initiative.

Our racial equity work is never linear and neat, but spills over and expands in new directions as we go deeper into systems change work. We welcome your recommendation to *assess our progress, refresh or establish new goals to focus attention on the most critical issues affecting the region*. As we build back, we agree that we must return focus to not just completing the remaining Strategic Plan actions in progress, but provide more clarity and direction to departments on what their role is - and what completion really means in a world of constant flux.

In the following pages we provide our responses to your recommendations, organized by each of the four recommendations.

Recommendation Number	Do you agree with the recommendation?	If agree, what are the proposed plans for implementing solutions? If disagree, please provide reasons.	Proposed timetable for implementation?
<p>1. Prepare to take actions by:</p> <p>a. Assigning responsibilities for actions to specific units or roles</p> <p>b. Defining when actions are complete and what is expected</p> <p>c. Establishing a consistent method to monitor resources for implementing actions</p>	Yes	<p><u>Assigning Responsibilities, completion criteria and timelines</u></p> <p>COO, DCOO, and DEI Director will confirm responsibilities for existing assignments and delegate unassigned actions with timelines to relevant Departments and Venues.</p> <p>COO, DCOO, GM of Venues and DEI Director will establish clear expectations on what completion of the action item will mean for the agency. Senior Leadership will work with relevant project teams to establish accountability for action completion.</p> <p><u>Monitoring resources</u></p> <p>The Impact Evaluation Project will help us set standard approaches for measuring both impacts (outcomes) and efforts (inputs and outputs). By the end of 2022 we will incorporate these standard approaches into Metro’s Budget Equity Tool and Racial Equity Framework tool to help Departments track resources allocated to achieve racial equity outcomes (within and beyond SPAREDI) for the FY23/24 budget cycle.</p>	<p>Assignments, completion criteria and timelines for completion delivered by COO, December 2022</p> <p>Budget Equity tool process and Department Budget packets – by January 2023</p>
<p>2. Evaluate results by:</p> <p>a. Developing performance measures to determine whether each related goal and objective is being met</p> <p>b. Measuring and reporting results annually</p>	Yes	<p>As noted by the Audit, the Strategic Plan’s goals and objectives have yet to be tied to measurable performance metrics, which reflects a broader need across the agency for implementing best practices in equity evaluation and performance measurement. The Impact Evaluation project, slated for completion in 2022, will address this important gap, as we work towards a robust ecosystem of equity evaluation and measurement.</p> <p><u>Launch Impact Evaluation Project to Develop performance measures</u></p> <p>The Impact Evaluation project will:</p> <ul style="list-style-type: none"> •Develop standard performance measures for the SPAREDI goals and objectives; •Build evaluation capacity by training staff and leaders across Metro in the Results Based Accountability Framework; •Support staff in setting programmatic goals and metrics rooted in community needs and inequities. 	Spring/Summer 2022

		<p>The project has already convened a steering committee and will be supported by a sub-committee of CORE as well as additional community leaders.</p> <p><u>Annual measurement and reporting</u></p> <p>Upon completion of the Impact Evaluation Project, DEI Program and the Office of the COO, in collaboration with CORE, will retrofit the annual report to Metro Council. This update will integrate SPAREDI’s key performance metrics to support informed-decision making around our progress towards these goals. After allowing time for data collection and synthesis, the updated report will be delivered to Council in Spring 2023.</p>	<p>Report development: Fall 2022</p> <p>Report delivery: Spring 2023</p>
<p>3. Adjust strategies to advance racial equity, beginning within Metro’s workforce, by:</p> <p>a. Identifying whether new strategies are needed</p> <p>b. Consulting best practices for innovations</p>	Yes	<p>Human Resources, with strategic consultation from DEI program, will deliver a project plan to assess current systems and strategies, identify new approaches to improve recruitment and onboarding and retention efforts to advance racial equity in our workforce, and establish metrics and milestones to assess progress. This project plan will include detailed deliverables, proposed due dates, and action owners from across departments and venues, and a plan to monitor progress and evaluate results.</p> <p>The first phase of the project plan will focus on developing an interactive dashboard to better understand trends and employee demographics around hires, promotions, terminations and other key workforce trends and will seek to gather more accurate and complete employee data.</p>	Summer 2022
<p>4. Reestablish CORE subcommittees to allow more time to review results of the Plan’s goals, objectives, and action item</p>	Yes	<p><u>The DEI program will work with CORE leadership to reestablish subcommittees</u> during the first quarter of 2022 to facilitate deeper engagement on topics brought to CORE, more focused review of SPAREDI goals and action items, and more engagement with the range of expertise among committee members.</p> <p>SPAREDI Goal Focused Meetings – during 2022 we will identify 5 meetings to focus on the individual goals through presentation or written reports to support the committee in reviewing progress toward each of the goals.</p>	Spring 2022



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