

**STATUS OF IMPLEMENTING AUDIT SERVICES DIVISION REPORT RECOMMENDATIONS**

**Audit Title:** Improvements Needed to Strengthen Milwaukee County Transit System’s (MCTS) Commitment to Workforce Diversity

**File Number:** 17-536

**Audit Date:** June 2017

**Status Report Date:** September 2018

**Department:** Transportation

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	

<b><i>We recommend that MCTS adhere to FTA requirements by taking steps to:</i></b>							
1. Assess the results of action plans taken since the last program submission.	X		X		X		Auditee: MCTS has assessed the results of actions plans as it relates to ensuring workforce diversity, productive employment practices, and a strongly diverse and inclusive culture. MCTS has successfully increased minority utilization in key departments, reaching full minority utilization in all but one EEO job category (Craft Workers) as of 12/31/2017. Although progress in the Craft Worker, Operatives, and Laborers categories has occurred, full female utilization continues to be a challenge in other job categories. To build on the progress already made, MCTS is implementing a variety of improvements to employment practices - described in subsequent recommendations – to ensure workforce diversity.
2. Evaluate the EEO Program during the year and take any necessary corrective action regarding the development and execution of programs, goals, and timetables semiannually, at a minimum.	X		X		X		Auditee: MCTS has created and followed an updated Internal Monitoring and Reporting System that provides for ongoing evaluation of the EEO Program and regular implementation of corrective action. The Director of Diversity and Inclusion/EEO Officer meets with the Managing Director on a monthly basis to review the development and execution of programs, goals, and timetables.

**STATUS OF IMPLEMENTING AUDIT SERVICES DIVISION REPORT RECOMMENDATIONS**

**Audit Title:** Improvements Needed to Strengthen Milwaukee County Transit System’s (MCTS) Commitment to Workforce Diversity

**File Number:** 17-536

**Audit Date:** June 2017

**Status Report Date:** September 2018

**Department:** Transportation

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
3. Create procedures and documentation that support actions to implement the plan for minority and female job applicants or employees and inform management of the program’s effectiveness.	X			X	X		<p>Auditee: MCTS is designing job postings and recruiting with EEO goals in mind. However, to fully provide the necessary backend support for full plan implementation and to inform management of the program’s effectiveness, MCTS needs to upgrade its applicant tracking system. MCTS is currently assessing different contracting options and will select a vendor or initiate a procurement process by April 1, 2018.</p> <p><b><u>September 2018 Update</u></b></p> <ul style="list-style-type: none"> <li>• MCTS continues to design job postings and recruiting with EEO goals in mind. Prior to any new job posting, there is a scoping meeting involving the Director of Diversity and Inclusion that includes a check of the job description and job requirements. The hiring team makes sure the job requirements are as inclusive as possible while ensuring that candidates that meet the qualifications are capable of doing the job.</li> <li>• HR successfully implemented the new Applicant Tracking System in May 2018. The system allows for detailed tracking of the hiring process, including statistical information on the applicant pool.</li> </ul>
<p><b><i>We recommend that MCTS adhere to FTA guidelines and follow its established EEOP/AAP plan to implement its equal employment opportunity action-oriented short-term and long-range goals toward fuller utilization of females and minorities across the organization by:</i></b></p>							

**STATUS OF IMPLEMENTING AUDIT SERVICES DIVISION REPORT RECOMMENDATIONS**

**Audit Title:** Improvements Needed to Strengthen Milwaukee County Transit System’s (MCTS) Commitment to Workforce Diversity

**File Number:** 17-536

**Audit Date:** June 2017

**Status Report Date:** September 2018

**Department:** Transportation

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
4. Examining current recruitment efforts to identify and strengthen the goals that are effective and eliminate the ones that are not outcome-based. For example, move from exploring the implementation of a mentoring program to actually establishing a mentoring program which includes a focus on females and minorities.	X			X		X	<p><b>Auditee:</b>                      For external recruiting, MCTS is actively researching the use of a new applicant tracking system that will improve exposure of job openings to protected class recruiting pools and will allow for tracking of recruitment statistics, allowing MCTS to create and reach outcome-based goals in external recruiting. MCTS will have a vendor selected or initiate a procurement process by April 2018. Additionally, MCTS is strengthening relationships with organizations like Employ Milwaukee to augment recruiting efforts.                      For internal recruiting, MCTS is creating a Career Path Program, described in Recommendation #5, that includes a mentoring program for protected class employees interested in career progression. That program will launch by May 1, 2018.</p> <p><b><u>September 2018 Update:</u></b></p> <ul style="list-style-type: none"> <li>Through demographic data analysis, the Applicant Tracking System now allows MCTS to measure the effectiveness of recruitment efforts and focus on outcomes-based strategies. Additionally, the ATS expands the reach of MCTS job applications, making it easier for more applicants to be exposed to MCTS job openings. Finally, the time saved through the use of the ATS allows HR to dedicate more resources to proactive recruitment by, for example, actively reaching out to potential job candidates on LinkedIn who match job criteria.</li> </ul>

**STATUS OF IMPLEMENTING AUDIT SERVICES DIVISION REPORT RECOMMENDATIONS**

**Audit Title:** Improvements Needed to Strengthen Milwaukee County Transit System’s (MCTS) Commitment to Workforce Diversity

**File Number:** 17-536

**Audit Date:** June 2017

**Status Report Date:** September 2018

**Department:** Transportation

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
							<ul style="list-style-type: none"> <li>The Career Path Program has been developed. Participants will partner with a mentor and will spend one day per week working on company projects that provide valuable experience, new skills, and enhanced knowledge of how the company operates. MCTS wants the program to be open to all employees, including union employees, and is engaged in ongoing negotiations to allow for open participation.</li> </ul>
5. Establishing a career path counseling program for employees of protected classes that are interested in management positions.	X			X		X	<p>Auditee: MCTS has a long history of providing opportunities for promotions and career progression to current employees and is committed to building upon that history by establishing an official Career Path Program for employees of protected classes that are interested in career progression with the organization. The program will be based upon best practices and will include both a mentoring element and a management skill building element. As part of the program, MCTS will also reexamine the design of its tuition reimbursement program with the goal of ensuring that the reimbursement program provides maximum value to the Career Path Program in addition to the value it already provides employees generally. The Career Path Program will launch by May 1, 2018.</p> <p><b><u>September 2018 Update:</u></b> The Career Path Program has been developed and will include eligibility for enhanced tuition reimbursement for</p>

**STATUS OF IMPLEMENTING AUDIT SERVICES DIVISION REPORT RECOMMENDATIONS**

**Audit Title:** Improvements Needed to Strengthen Milwaukee County Transit System’s (MCTS) Commitment to Workforce Diversity

**File Number:** 17-536

**Audit Date:** June 2017

**Status Report Date:** September 2018

**Department:** Transportation

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
							participants. Final design and participation continues to be subject to union negotiation.
<p><b><i>MCTS should analyze and follow their EEO/AA plan exercising special attention to the best practices from the U.S. Equal Employment Opportunity Commission (EEOC) as it relates to “Eradicating Racism and Colorism from Employment,” (see Exhibit 3) in the areas of recruitment, hiring, and promoting by:</i></b></p>							
6. Recruit, hire, and promote with EEO principles in mind, by implementing practices designed to widen and diversify the pool of candidates..., in deeds and not just words.	X		X		X		Auditee: MCTS has created a comprehensive Recruitment and Selection policy that encourages hiring managers to recruit, hire and promote individuals with EEO principles in mind. This is done through actions brought about by having scoping meetings with hiring managers prior to positions being posted. Hiring managers are held accountable to follow EEO principles in employment practices.
7. Monitor for EEO compliance by conducting self-analyses to determine whether current employment practices disadvantage people of color, treat them differently or leave uncorrected the effects of historical discrimination in the company.	X		X		X		Auditee: As addressed in the Recruitment and Selection policy, hiring managers are asked to conduct a position-analysis to identify any barriers to diversity, and to correct any environment or hiring practices prior to positions being posted. Additionally, the Director of Diversity and Inclusion/EEO Officer concurs on all hires and promotions and ensures that EEO-related policies and procedures are consistently followed.

**STATUS OF IMPLEMENTING AUDIT SERVICES DIVISION REPORT RECOMMENDATIONS**

**Audit Title:** Improvements Needed to Strengthen Milwaukee County Transit System’s (MCTS) Commitment to Workforce Diversity

**File Number:** 17-536

**Audit Date:** June 2017

**Status Report Date:** September 2018

**Department:** Transportation

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
8. Ensure selection criteria do not disproportionately exclude certain racial groups unless the criteria are valid predictors of successful job performance and meet the employer’s business needs. For example, if educational requirements disproportionately exclude certain minority or racial groups, they may be illegal if not important for job performance or business needs.	X		X		X		Auditee: Following the Recruitment and Selection policy, selection criteria are created as part of reviewing the job description. Criteria selected are used only if they are valid and reliable predictors of success on the job. The results of all testing instruments are evaluated for adverse impact and again reviewed for job relatedness.
9. Continue to encourage education and professional development through the use of tuition reimbursement program.	X		X		X		Auditee: MCTS encourages education and professional development by making available to employees a tuition reimbursement program. This program has been in place for many years, and is used by several employees each year. New employees are made aware of all benefits, including Tuition Assistance during new employee comprehensive orientation and on-boarding process. As part of the mentoring program, exceptions to the monetary caps will be made for qualified mentees.
10. Make employment decisions in a transparent manner and document them.	X		X		X		Auditee: In accordance with the Recruitment and Selection policy, recruitment plans are established prior to posting the position. All positions for entry level, promotions, demotions and transfers are posted.
11. Ensure that no artificial barriers, bias, or restrictive seniority provisions exist that result in overt or inadvertent discrimination.	X		X		X		Auditee: MCTS is obligated to follow the collective bargaining agreements currently in place, which address seniority issues. For vacancies in which the company is not

**STATUS OF IMPLEMENTING AUDIT SERVICES DIVISION REPORT RECOMMENDATIONS**

**Audit Title:** Improvements Needed to Strengthen Milwaukee County Transit System’s (MCTS) Commitment to Workforce Diversity

**File Number:** 17-536

**Audit Date:** June 2017

**Status Report Date:** September 2018

**Department:** Transportation

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
							restricted in its selection process, the HR department and hiring managers assess a selection process to ensure there are no artificial barriers which would result in overt or inadvertent discrimination.
12. We recommend that MCTS follow the U.S. Equal Employment Opportunity Commission’s (EEOC’s) recruitment best practices related to job descriptions.	X		X		X		Auditee: Job descriptions are updated whenever a vacancy is to be filled. Based on the essential functions of the job, critical knowledge needed to be successful in the job is established. The format of identifying job duties and listing qualifications follows the EEOC’s best practices regarding recruitment
13. Eliminate promotional practices that reduce the applicant pool of qualified minorities, women and other members of protected classes from applying for advancement opportunities and to “Make sure promotion criteria are made known, and that job openings are communicated to all eligible employees.”	X		X		X		Auditee: Hiring managers and HR staff review job descriptions for needed knowledge and skills, then identify appropriate selection methods that serve as valid and reliable predictors of success on the job. Promotional positions and the required tests for those positions are posted at all locations, so that employees are made aware of the requirements of a job.
14. Develop clear policies and procedures for promotional practices, as identified with new hires, including specific guidelines on when the positions are a title change no salary increase, title change with a salary increase, and/or promotions, etc. to eliminate confusion, misinformation, and allegations of unfair or inconsistent promotional opportunities for all qualified individuals.	X		X		X		Auditee: MCTS has developed a policy that addresses promotional practices which includes definitions and clear policies and procedures on internal job changes such as promotions, transfers, reclassifications, and changes in work assignments.

**STATUS OF IMPLEMENTING AUDIT SERVICES DIVISION REPORT RECOMMENDATIONS**

**Audit Title:** Improvements Needed to Strengthen Milwaukee County Transit System’s (MCTS) Commitment to Workforce Diversity

**File Number:** 17-536

**Audit Date:** June 2017

**Status Report Date:** September 2018

**Department:** Transportation

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
15. We recommend that MCTS develop policies and procedures to address demotions.	X		X		X		Auditee: MCTS has developed a policy and procedure which addresses demotions.
16. We recommend that MCTS adhere to their employment policy by: Subjecting all employees who voluntarily terminate their employment to the opportunity of participating in an exit interview.	X		X		X		Auditee: MCTS currently invites all employees who have resigned to meet with the Employment Supervisor for an exit interview. MCTS uses a form to collect a standard set of responses to obtain employee feedback. If employees are not available for a meeting, the exit interview form is mailed to the employees and they are encouraged to complete it. Completed exit interviews are forwarded to the Director of Diversity and Inclusion/EEO Officer for review.
17. MCTS establish a safe and secure location to file and store confidential internal and external complaints, to protect the privacy of the workers involved, and to create a system that will track and identify lost or misplaced documents.	X		X		X		Auditee: MCTS has updated its Harassment/Discrimination Complaint Investigation System where the Director of Diversity and Inclusion/EEO Officer is responsible for overseeing investigations into complaints of harassment or discrimination. Included in that oversight is the safe and secure storage of physical and electronic documents related to complaints and a tracking system for complaint processing.
18. a. Consider the FTA’s optional good practice to implement an Alternative Dispute Resolution (ADR) program, such as mediation to help both parties reach an agreeable solution and outcome.	X			X	X		Auditee: In the updated Harassment/Discrimination Complaint Investigation System, the Director of Diversity and Inclusion/EEO Officer is responsible for overseeing complaint investigations. This brings an independent review to workplace conflict resolution that helps ensure



**STATUS OF IMPLEMENTING AUDIT SERVICES DIVISION REPORT RECOMMENDATIONS**

**Audit Title:** Improvements Needed to Strengthen Milwaukee County Transit System’s (MCTS) Commitment to Workforce Diversity

**File Number:** 17-536

**Audit Date:** June 2017

**Status Report Date:** September 2018

**Department:** Transportation

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
(or)  b. Establish a separate impartial appeals board to hear appeals from employees dissatisfied with the outcome of the internal complaint investigation process.							that parties are able to reach an agreeable solution and outcome on harassment/discrimination situations. Although the new system is expected to improve agreeable outcomes, MCTS is researching whether ADR can bring an added value to an organization of its size. A decision on ADR will be made by April 1, 2018.  <b>September 2018 Update:</b> MCTS researched ADR and determined that the independent review process of the Director of Diversity and Inclusion adequately meets the goal of providing parties with an agreeable solution and outcome. Employees have the right to appeal decisions by filing a complaint with the Equal Employment Opportunity Commission. This option is outlined in the company’s Anti-Harassment/Nondiscrimination Policy and is publicly posted at company locations.
19. Create a confidential hotline to empower employees by allowing them an opportunity to report wrongdoing (fraud, waste, and abuse) in the organization without using the internal complaint process.	X		X		X		Auditee: To empower MCTS employees with the opportunity to report wrongdoing in a confidential and independent manner, MCTS utilizes the Milwaukee County – Audit Services Division’s Fraud Hotline. A bulletin providing information about the hotline was sent out in April 2015 and resent in January 2018.
20. We recommend that MCTS monitor disciplinary actions by gender and race to identify any potential future disparate treatment.	X		X		X		Auditee: MCTS regularly monitors disciplinary actions by gender and race as one element of the Internal Monitoring and Reporting System that is also referenced in

**STATUS OF IMPLEMENTING AUDIT SERVICES DIVISION REPORT RECOMMENDATIONS**

**Audit Title:** Improvements Needed to Strengthen Milwaukee County Transit System’s (MCTS) Commitment to Workforce Diversity

**File Number:** 17-536

**Audit Date:** June 2017

**Status Report Date:** September 2018

**Department:** Transportation

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
							Recommendation #2. The Director of Diversity and Inclusion/EEO Officer monitors disciplinary actions on an ongoing basis, and recent data on disciplinary actions is discussed with the Managing Director on a quarterly basis.
21. We recommend that MCTS follow guidelines in the Equal Pay Act related to: Their requirement that "...men and women be given equal pay for equal work in the same establishment.	X			X		X	<p>Auditee: MCTS uses established salary ranges when hiring and promoting employees. Employees’ salaries are determined by individuals’ qualification, without regard to gender. In order to have a compensation system which is updated for both internal and external equity, MCTS will initiate a procurement process by April 2018 for compensation related professional services.</p> <p><b>September 2018 Update:</b> MCTS is partnering with Segal Waters to conduct a thorough compensation analysis of MCTS’s non-represented employees. Included in the analysis is a deep review of wage and salary structure for non-represented employees. The analysis will provide a rigorous, apples-to-apples review of MCTS employee compensation that will allow for a genuine assessment of MCTS wage practices. It is expected to be completed by the end of 2018.</p>
<b><i>We also recommend that MCTS follow Employment Compensation and Benefits required by the Federal Transportation Administration in Circular 4704.1A to:</i></b>							
22. "Express the agency’s commitment that all employment actions, including but not	X		X		X		Auditee:

**STATUS OF IMPLEMENTING AUDIT SERVICES DIVISION REPORT RECOMMENDATIONS**

**Audit Title:** Improvements Needed to Strengthen Milwaukee County Transit System’s (MCTS) Commitment to Workforce Diversity

**File Number:** 17-536

**Audit Date:** June 2017

**Status Report Date:** September 2018

**Department:** Transportation

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
limited to...rates of pay or other forms of compensation...treatment of employees will be administered without regard to race, color, religion, national origin, sex (including gender identity, sexual orientation, and pregnancy), age, genetic information, disability, veteran status, or other protected class.”							MCTS’ commitment that all employment actions will be administered without regard to race, color, religion, national origin, sex, age, genetic information, disability, veteran status, or other protected class is expressed in a variety of ways, including all external advertisements, all internal job postings which are displayed in several locations in the organization. This intent is also expressed by a variety of employment-related postings, clearly visible in several locations throughout the organization. MCTS continues to monitor and update its compensation as addressed by item #21.
23. “FTA requires agencies to provide a description of wages, salary levels, and other forms of compensation and benefits policies and procedures.”	X		X		X		Auditee: Compensation and benefit information is provided to employees in several ways. Both collective bargaining agreements contain wage tables, along with a list of benefits, and copies of the contract are given to employees. Specific benefit information is also reviewed with employees during their orientation and on-boarding process. Employees are routinely informed of benefit policies and procedures such as the annual Open Enrollment, and other selected benefits that require reminders or new procedures.
24. “FTA requires agencies to review their wage and salary structure to make sure discrimination is not occurring with respect to compensation.”	X			X		X	Auditee: For every employment movement that requires a change in salary, several levels of approval are required. This is done to ensure review and consistency in our practice. In addition, to ensure external as well as internal equity, as addressed in questions #21, an external consultant will assist MCTS in reviewing its Total Compensation structure.

**STATUS OF IMPLEMENTING AUDIT SERVICES DIVISION REPORT RECOMMENDATIONS**

**Audit Title:** Improvements Needed to Strengthen Milwaukee County Transit System’s (MCTS) Commitment to Workforce Diversity

**File Number:** 17-536

**Audit Date:** June 2017

**Status Report Date:** September 2018

**Department:** Transportation

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
							<p><b><u>September 2018 Update:</u></b>                      As discussed in #21, MCTS is conducting a compensation analysis that will be complete by the end of 2018.</p>
25. MTS adheres to FTA requirements as it relates to the EEO Officer’s roles, responsibilities and functions including designating an executive as EEO Officer, assigning sufficient staff, appropriate compensation, concurrence in hiring and promotional practices, reporting directly to the Managing Director, and that the EEO Officer is free from any conflicts of positions or conflicts of interest.	X		X		X		<p>Auditee:                      MTS hired a Director of Diversity and Inclusion/EEO Officer in October 2017 to serve as the organization’s designated EEO Officer. This individual oversees EEO compliance efforts, reports directly to Managing Director, and is free from any conflicts of positions or conflicts of interest.</p>