

# Mayor and Council Communication

DATE: 08/13/24

M&C FILE NUMBER: M&C 24-0622

LOG NAME: 08EEOC2024

## **SUBJECT**

(ALL) Ratify Execution of a Contract with the United States Equal Employment Opportunity Commission to Process Employment Discrimination Cases for Fiscal Year 2024 and Authorize Acceptance of Funds in an Amount Up to \$85,280.00, Waive Indirect Costs, and Adopt Appropriation Ordinance

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## **RECOMMENDATION:**

It is recommended that the City Council:

1. Ratify the execution of Contract No. 45310022C0045P0000 with the United States Equal Employment Opportunity Commission and authorize the acceptance of funds in an amount up to \$85,280.00;
  2. Waive the transfer of indirect cost revenue due the General Fund in the estimated amount of \$10,000.00; and
  3. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Grants Operating Federal Fund in an amount up to \$135,280.00 (\$85,280.00 from the contract plus accrued interest from contractual award funds in an amount up to \$50,000.00 based on actual receipts), subject to receipt of the grant, for the processing of Employment Discrimination cases for Fiscal Year 2024.
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## **DISCUSSION:**

In January 1977, the United States Equal Employment Opportunity Commission (EEOC) recognized the Fort Worth Human Relations Commission (a predecessor to the Diversity and Inclusion Department) as a local deferral agency and a Fair Employment Practice Agency (FEPA) in accordance with Section 706(c) of the United States Equal Employment Opportunity Act of 1972, Title VII of the Civil Rights Act of 1964, as amended. Pursuant to this section, the EEOC, prior to asserting jurisdiction over employment discrimination charges, defers such charges for resolution to a local or state agency having authority to enforce a local or state fair employment law similar to Title VII, the Age Discrimination in Employment Act and the Americans with Disabilities Act.

On June 6, 2024, the Diversity and Inclusion Department received Contract No. 45310022C0045P00002 from the EEOC indicating that the EEOC would provide payment for 91 charges of discrimination and 50 deferrals and provide funds for a joint EEOC/FEPA innovation project occurring during the enforcement period (contract timeframe) starting October 1, 2023, and ending September 30, 2024. The contract was signed on June 11, 2024.

Payment for work performed and a joint innovation project is as follows:

- Resolution of 91 charges of alleged discrimination at a cost of \$830.00 per case for a total of \$75,530.00;
- Deferral of 50 non-jurisdictional charges of discrimination at a cost of \$125.00 per case for a total of \$6,250.00; and
- Funds to support a joint EEOC/FEPA innovation project in the amount of \$3,500.00.

The addition of up to \$50,000.00 in accrued interest on contractual awards funds (the final amount of which is based upon actual receipts) brings the total to an amount up to \$135,280.00.

A waiver of the collection of indirect cost revenue otherwise due to the General Fund is being requested. The Diversity and Inclusion Department has determined that the remission of indirect cost reimbursement to the General Fund would result in fewer available programming dollars, which, when compounded by yearly fluctuations in funding, unanticipated delays in the receipt of funding, the threat of federal cuts in EEOC's programming, and increasing salary and benefit costs, could jeopardize the Diversity and Inclusion Department's ability to successfully fulfill the provisions of the grant. The cost to the General Fund of the waiver is estimated at \$10,000.00.

The Grant is a pay for performance grant, where the amount awarded is for services previously rendered. Currently, one part-time employee's salary is paid with the funds received as part of this contract, Human Relations Intake Specialist Claudia Palacios, in the amount of \$53,433.69, including a base wage of \$32,858.25 plus benefits of \$20,575.44. If funding ends, such as if EEOC decides to terminate the contract in the future, the affected employee will not yet have performed the services for the next contract year. There may be several options for consideration to retain high performing talent, including remaining in the function through General Funds, or the employee may have the opportunity to seek employment elsewhere, within or outside the City.

A Form 1295 is not required because: This contract will be with a governmental entity, state agency or public institution of higher education: US EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

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## **FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the current operating budget, as appropriated, in the Grants Operating Federal Fund. The Diversity and Inclusion Department (and Financial Management Services) will be responsible for the collection and deposit of funds due to the City. Prior to expenditures being incurred, the Diversity and Inclusion Department has the responsibility to validate the availability of funds. This is a fee for service grant.

**Submitted for City Manager's Office by:** Fernando Costa 6122

**Originating Business Unit Head:** Christina A. Brooks 8988

**Additional Information Contact:**