

**Supporting Statement**  
**Recordkeeping and Reporting Requirements for**  
**Employer Information Report (EEO-1)**  
**OMB Control No. 3046-0007**

**A. Justification**

The Equal Employment Opportunity Commission (EEOC) is: (1) seeking renewal of OMB approval under the Paperwork Reduction Act (PRA) of the Employer Information Report (EEO-1); and (2) seeking approval of the addition of a second component to the EEO-1 to collect summary pay data. The EEOC and the U.S. Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) have separate legal authority to collect EEO-1 data, and they coordinate collection to promote efficiency through their Joint Reporting Committee. The EEOC is responsible for obtaining PRA clearance for the EEO-1.

As explained in its July 14, 2016, PRA 30-Day Notice ([81 FR 45479](#)), the EEOC concludes: that persistent pay gaps exist in the U.S. workforce correlated with sex, race, and ethnicity; that workplace discrimination is an important contributing factor to these pay disparities; and that collecting summary pay data with the EEO-1 will improve the EEOC's ability to effectively assess allegations of pay discrimination and focus investigations, as well as strengthen OFCCP's ability to select appropriate federal contractors and subcontractors for review of their compliance with equal employment opportunity mandates. This summary pay data collection also will encourage employers to voluntarily address unjustified pay disparities. The EEOC will provide extensive technical assistance during the transition period to this information collection, which has been extended to 18 months (from 12 months).

1. Legal and administrative requirements

The legal basis for the EEOC's EEO-1 recordkeeping and reporting requirements is found in Section 709(c) of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §2000e-8(c), which imposes the requirement that "[e]very employer, employment agency, and labor organization subject to this subchapter shall (1) make and keep such records relevant to the determinations of whether unlawful employment practices have been or are being committed, (2) preserve such records for such periods, and (3) make such reports therefrom as the Commission shall prescribe by regulation or order. . . ." The EEOC's regulations at 29 CFR §1602.7 set forth the recordkeeping and reporting requirements for private industry employers with 100 or more employees. OFCCP's regulations at 41 CFR §60-1.7(a), which are based on Executive Order 11246, contain the EEO-1 recordkeeping and reporting requirement for federal contractors that (1) are not exempt from the provisions of these regulations in accordance with 41 CFR §60-1.5, (2) have 50 or more employees, (3) are prime contractors or first tier subcontractors, and (4) have a contract, subcontract or purchase order amounting to \$50,000 or more, or serve as depositories of Government funds in any amount, or are financial institutions which are

issuing and paying agents for U.S. savings bonds and savings notes. (The federal contractors and subcontractors under OFCCP’s jurisdiction are referred to as “federal contractors” in this supporting statement.)

The EEOC is committed to working with filers to provide assistance in successfully submitting all the EEO-1 data. This support includes providing increased technical assistance focusing on the new filing requirements; offering free seminars, webinars, and other training to employers; and working with industry groups and similar organizations to facilitate attendance by EEOC personnel at meetings and conferences to provide outreach, collect feedback, and answer questions. Filers in need of direct assistance may contact the Joint Reporting Committee by telephone at 1-877-392-4647 (toll-free) or by email at [e1.techassistance@eeoc.gov](mailto:e1.techassistance@eeoc.gov). The EEOC also plans to coordinate with HRIS developers to enhance their understanding of the new filing requirements and explore how those requirements may be made easier through software modification and updates. The EEOC will continue to exercise its usual discretion with respect to enforcing filing requirements. *See also* Section 5, Impact on Small Business.

2. Use of collected information

The EEOC is requesting approval to add a second component to the EEO-1 report, which would annually collect summary pay data and corresponding hours-worked information from certain employers in addition to the data currently collected by the EEO-1.

OFCCP uses EEO-1 data as part of its process in selecting establishments neutrally for compliance reviews. OFCCP will obtain EEO-1 summary pay data only for contractors subject to its jurisdiction.

The EEOC uses data from the currently approved EEO-1 in at least three ways. EEOC staff analyzes this data using desktop EEO-1 analytics software to help focus the early stages of its investigations. The EEOC also uses EEO-1 data to develop studies of the private sector workforce in which it cites only aggregated EEO-1 data (to protect confidentiality and privacy); these studies are publicly available. Finally, when researchers request data for academic studies, the EEOC may provide data as appropriate, but only subject to Title VII confidentiality and data security requirements. (*See* Section 10 for detailed discussion of confidentiality and data security).

With the addition of summary pay data to the EEO-1, the EEOC will expand its existing desktop EEO-1 analytics software to enable staff to assess pay disparities based on sex, ethnicity, or race. In investigating potential Title VII and Equal Pay Act violations, EEOC enforcement staff will be able to retrieve and analyze an employer’s EEO-1 data just as they do now with their desktop analytics tool, which will be modified to permit statistical analyses of the pay and hours-worked data. As a first step, staff will be able to see the distribution of different demographics (sex, race, and ethnicity) across job groups and across the pay bands within the job groups. Where appropriate, the enforcement staff may use the analytics tool to conduct a Kruskal-Wallis test to determine generally if there are statistically significant disparities in a job group based on race, sex, or ethnicity. In addition, using the analytical software, staff could conduct an analysis of hours-

worked data using an interval regression to determine whether pay disparities remain after data on hours worked is included in the analysis. If, for example, a charging party had alleged that she was paid less than men in the same job, the EEOC investigator may retrieve a report through the EEO-analytics software that compares the pay of women to the pay of men within a job group using a rank sums test.

In assessing a charge during an investigation, EEOC enforcement staff can consider the results of several statistical analyses together with the allegations in the charge and other evidence gathered during the investigation, and, as appropriate, could compare EEO-1 pay data to other available data, for example Census statistics regarding comparable workers. In considering this data, the EEOC's enforcement staff decides how to focus the investigation and whether to request additional information from the employer. When EEOC enforcement staff requests information from an employer, it has the opportunity to explain its practices, provide additional data, and explain any non-discriminatory reasons for its pay practices and decisions. For example, the employer has the opportunity to provide more detailed information about pay by occupation and legitimate factors that could explain any apparent pay disparities. Only after considering all of this information and data, as well as any other relevant evidence, does the EEOC make a finding as to whether discrimination was the likely cause of the pay disparities.

The EEOC also plans to publish industry reports with only aggregated data that may provide useful comparative information that private employers and federal contractors may use without cost to assess their pay practices by industry.

3. Use of information technology

The EEO-1 report is collected through an online filing system, not in hard copy, unless the EEOC approves a hardship request to file a paper EEO-1. Filers either enter data online or upload a file with their EEO-1 data. Data upload allows a filer to submit a data file directly to the Joint Reporting Committee, and results in time and cost savings for filers using the method. The EEOC is releasing technical specifications for the type of files to be used by employers for data upload when the revised EEO-1 report is finalized.

4. Description of efforts to identify duplication

EEO-1 data is collected on behalf of the EEOC and OFCCP, pursuant to the EEOC's authority under Title VII and OFCCP's authority under Executive Order 11246. The EEO-1 is administered by the Joint Reporting Committee, which is housed at the EEOC, as a single data collection to meet the statistical needs of both agencies while simultaneously avoiding duplication.

5. Impact on small business

Currently, the EEO-1 report is filed by private employers with 100 or more employees and federal contractors with 50 or more employees. This information collection request contains a second component to collect summary pay data, as described in Section 2. Federal contractors with 50 to 99 employees will not be required to submit summary pay data, but will continue to submit demographic information by race, ethnicity, sex, and by job category just as they do under the current OMB approval of this information collection. Although the agency considered raising the filing threshold for collecting pay-band data to even larger employers, it concluded that exempting a subset of employers that currently file the EEO-1 from the requirement to report pay data would result in an absence of data for a large number of employers who employ millions of workers, and that this would significantly reduce the utility of the data collection.

The EEOC is committed to robust outreach and technical support efforts, especially for small employers, as previously discussed in Section 1. The EEOC is releasing technical specifications for the type of files to be used by employers for data upload at the same time the revised EEO-1 report is announced. The EEOC will offer free webinars and seminars that will cover in detail the changes to the revised EEO-1 report. EEOC staff will coordinate with industry groups and other similar organizations to organize timely outreach opportunities for their membership and stakeholders by, for example, presenting information on the revised filing requirements and discussing challenges the requirements may create with representatives of the employer community. Moreover, the Joint Reporting Committee will be available to help individual filers experiencing technical issues or who need assistance with filing. Filers in need of technical support are encouraged to contact the Joint Reporting Committee by telephone at 1-877-392-4647 (toll-free) or by email at [e1.techassistance@eEOC.gov](mailto:e1.techassistance@eEOC.gov).

6. Consequences if information were collected less frequently

The EEOC and OFCCP seek to investigate potential discrimination with the benefit of up-to-date data reflecting the most current pay and salary information possible. The EEOC considered collecting EEO-1 data every two years. This approach was rejected, however, because the agency concluded that the utility of the data would be diminished before new data became available. In the private sector, workforce changes are frequent, not only within a particular establishment's workforce, but also on a larger scale, in light of mergers and acquisitions. When employers restructure through mergers and acquisitions, employee demographics and pay structure may undergo significant changes. A delay of two years in collecting data reflecting these changes could undermine the EEOC's enforcement efforts, since the agency would be forced to rely on outdated and inaccurate data with respect to filers.

7. Special circumstances

This information collection does not require any special circumstances.

8. Consultation outside the agency

This proposal is the result of extensive and careful consideration of many elements, including government studies that analyze compensation in U.S. workplaces, relevant

academic literature on compensation practices, public comments, public hearing testimony, and the early analyses reflected in the National Academy of Sciences (NAS) study and a subsequent EEOC-contracted study.

Recognizing the challenges of collecting pay data, and following the recommendations of the President's National Equal Pay Task Force, the EEOC commissioned a study by the NAS to provide information for its decision-making process regarding a pay data collection. The NAS study assessed the feasibility of effectively collecting pay data to detect pay discrimination and support law enforcement efforts. Published in 2012, the NAS Report recommended, as one of six recommendations, that the EEOC also commission an independent Pilot Study to inform the parameters of a pay data collection.

The EEOC commissioned the Pilot Study, which made technical recommendations about several central components of a pay data collection, including: the unit of pay to be collected; the best summary measures of central tendency and dispersion for rates of pay; appropriate statistical test(s) for analyzing pay data; and the most efficient and least costly methods for transmitting pay data from employers. The Pilot Study also contemplated using the 10 established EEO-1 job categories. Consistent with Pilot Study recommendations, the EEOC elected to use the W-2 definition of income, to use pay bands that track the wage intervals used by the Bureau of Labor Statistics' OES survey, and to collect summary hours-worked information for employees. See Sage Computing, EEOC Pay Pilot Study (Sept. 2015), <http://www.eeoc.gov/employers/eo1survey/pay-pilot-study.pdf> (Pilot Study).

The EEOC also worked closely with OFCCP, and the two agencies together consulted with the Department of Justice, focusing on how EEO-1 pay data would be used to assess complaints of discrimination, focus investigations, and identify employers with existing pay disparities that might warrant further examination.

On March 16, 2016, the EEOC held a public hearing and heard testimony from 15 witnesses from a wide range of backgrounds. During the 60-day comment period ending April 1, 2016, the EEOC received 322 timely public comments. The EEOC carefully considered this feedback and revised the proposal for the 30-day notice and comment period in the following ways:

- (a) Adjusted the annual burden calculations:  
In response to comments questioning the EEOC's burden calculation methodology, the agency revised its burden estimates by (1) reflecting varying labor costs for the different types of staff involved with preparing the EEO-1, (2) adding labor costs for functions performed at the establishment level, and (3) increasing the total number of burden hours a firm would need to read the EEO-1 instructions and to collect, verify, and enter data on the EEO-1 online portal.
- (b) Expanded the discussion on confidentiality and protections afforded the collected information by the EEOC and OFCCP:

See Section 10 of this statement for a discussion of measures taken by the EEOC and OFCCP to preserve the confidentiality of the EEO-1 data.

(c) Expanded the discussion of how the EEOC will use this information:

(1) The EEOC will use the data primarily for early assessment of allegations of discrimination based on sex, ethnicity, or race. During an investigation, EEOC staff may use statistical tools to examine whether the EEO-1 data suggests that there are significant disparities in reported pay in job groups based on race, sex, or ethnicity, and/or to examine how an employer compares to similar employers in its labor market.

(2) The EEOC will provide additional training to its employees, including investigators and other enforcement staff, statisticians, attorneys, and intake specialists, on how to identify pay disparities that warrant closer examination and how to use the new pay data. The EEOC will also use aggregated EEO-1 data, along with Census data and potentially other data sources, to periodically publish reports on pay disparities by race, sex, industry, occupational groupings, and Metropolitan Statistical Area (MSA). These reports may be useful tools for employers wishing to engage in voluntary self-assessment of pay practices.

(d) Added language to clarify the EEOC's statutory authority to collect the pay and hours worked data:

(1) The EEOC's authority to promulgate the EEO-1 report is found in section 709(c) of Title VII, which requires employers covered by Title VII to make and keep records relevant to whether unlawful employment practices have been or are being committed, to preserve such records, and to produce reports as the Commission prescribes by regulation or order, after public hearing, "as reasonable, necessary, or appropriate for the enforcement of this subchapter or the regulations . . . thereunder." The EEOC prescribes the EEO-1 report by regulation at 29 CFR part 1602, subpart B, which requires private employers with 100 or more employees to "file [annually] with the Commission or its delegate executed copies of [the] . . . EEO-1 [report] in conformity with the directions set forth in the form and accompanying instructions."

(2) The EEOC administers the EEO-1 jointly with OFCCP, which enforces the employment discrimination prohibitions of Executive Order 11246, as amended, for federal contractors and subcontractors, including specific provisions regarding pay discrimination and transparency. OFCCP's regulations require contractors to submit "complete and accurate reports on Standard Form 100 (EEO-1) . . . or such form as may hereafter be promulgated in its place." The Joint Reporting Committee, composed of the EEOC and OFCCP and located at the EEOC, administers the EEO-

1 as a single data collection to meet the statistical needs of both agencies while avoiding duplication.

- (e) Changed the filing deadline from September 30 to March 31 of the following year, beginning with the report of 2017 data, to give employers more time to transition to the new information collection:

(1) The 2017 EEO-1 report that would have been due on September 30, 2017, now is due on March 31, 2018. This extension of the filing date provides filers with six more months to adjust and allows the EEOC to engage in additional outreach and training on the revised data collection.

(2) The new annual filing deadline of March 31 also will eliminate the need for a special W-2 calculation solely for purposes of the EEO-1 report. The new deadline aligns the EEO-1 with federal obligations to calculate and report W-2 earnings as of December 31.

- (f) Shifted the workforce snapshot period to coordinate with the new reporting period and filing deadline:

Under the revised proposal, employers may count their employees during any pay period between October 1 and December 31, and will consult W-2 (Box 1) income and hours worked for these employees for the full calendar year ending December 31. This change in part addresses public comments that the previous “workforce snapshot” period of July – September would not capture same-year promotions that have the effect of moving the employee into a different EEO-1 job category or pay band. Given that hours-worked data also will be collected for each job category/pay band, moving the snapshot period to the fourth quarter reduces the risk of skewed data due to mid-year promotions.

- (g) Provided employers with a choice about how to report hours worked for FLSA-exempt employees:

The revised proposal would give employers the choice of how to report hours worked for FLSA-exempt employees. EEO-1 filers subject to the second component may choose to either: (1) report a proxy of 40 hours per week for full-time exempt employees and 20 hours per week for part-time exempt employees, multiplied by the number of weeks the individuals were employed during the EEO-1 reporting year; or (2) provide actual hours of work by exempt employees during the EEO-1 reporting year if the employer already maintains accurate records of this information. This choice is entirely up to the filer/employer. Filers that elect to use the 40-hour and 20-hour proxy approach may still certify that the reports are “accurate and . . . prepared in accordance with the instructions,” as the revised instructions allow filers to use the proxies.

In addition to the above-described preliminary review of the proposed EEO-1, the EEOC will continue to evaluate the revised EEO-1 report after it is in use. Under the standard three-year renewal process set out by the PRA for federal data collection, the next renewal of the EEO-1 will occur in 2019. As part of this process, the EEOC will consider its experience in collecting data through the revised EEO-1. The EEOC will monitor and evaluate the utility and effectiveness of the summary pay data collected and, within six months of the approval of this collection, the EEOC will provide OMB a monitoring and evaluation plan. The plan will include effectiveness measures, baseline information, procedures for collecting and evaluating data, and any other pertinent information. The EEOC will report the results of its monitoring and evaluation activities in subsequent information collection request packages.

The EEOC will begin collecting pay data as of March 31, 2018, and will be positioned to utilize pay data in its investigations in 2019, after the first pay data collection has been thoroughly reviewed for accuracy. As these investigations may still be ongoing at the time the next information collection request package must be submitted to OMB in late 2019, there will be limited information to evaluate for purposes of that PRA approval process. Consistent with the PRA requirements and its commitment to assess this collection, however, the agency will consider whether changes may be warranted to increase the practical utility of the data collection or to decrease the burden on EEO-1 filers. For example, the EEOC may consider the utility and burden of retaining the existing EEO-1 job categories or pay bands as compared to adopting new categories or bands.

EEOC staff will provide assistance throughout the filing process and will note information from employers about the reporting burden, among other topics. Filers may submit comments on this collection of information, including suggestions for reducing burden, at any time to the EEOC at:

EEO-1 Coordinator  
EEOC Survey Division -- Room 4SW22G  
131 M Street, N.E.  
Washington, D.C. 20507  
or

Suggestion Box on [EEO-1 Additional Documentation](#) and [eeo1.suggestionbox@eoc.gov](mailto:eeo1.suggestionbox@eoc.gov).

9. Gifts or payments  
No gifts or payments will be provided to respondents in connection with this information collection.
10. Confidentiality of information

## Confidentiality

All reports and any information from individual reports are subject to the confidentiality provisions of Section 709(e) of Title VII, and may not be made public by the EEOC prior to the institution of any proceeding under Title VII involving the EEO-1 data. Any EEOC employee who violates this prohibition may be found guilty of a criminal misdemeanor and could be fined or imprisoned. The confidentiality requirements allow the EEOC to publish only aggregated data, and only in a manner that does not reveal any particular filer's or any individual employee's personal information.

Furthermore, the EEOC's insistence that contractors, other federal agencies, and FEPAs adhere to the Title VII confidentiality requirements ensures that no individual employee's personal information is made public. In addition to ensuring that the agency's own employees adhere to the Title VII confidentiality requirements, the EEOC also imposes these requirements on all of its contractors as a condition of their contracts. With respect to federal agencies other than OFCCP demonstrating a legitimate law enforcement purpose, the EEOC provides access to information collected under Title VII *only* if the agencies agree, by letter or memorandum of understanding, to comply with the confidentiality provisions of Title VII at 42 U.S.C. §2000e-8(e). Subject to agreement to comply with this confidentiality provisions, the EEOC shares EEO-1 reports with the Department of Justice (DOJ) (to represent OFCCP in litigation), and the Federal Deposit Insurance Corporation (FDIC) and the National Credit Union Administration (NCUA) (to help analyze diversity in management, employment, and business activities pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010).

Title VII itself provides that the EEOC must provide state and local fair employment practices agencies (FEPAs) EEO-1 data upon request on the condition that they *not* make it public. 42 U.S.C. §2000e-8(d). FEPA staff receive annual training in data protection and security.

The EEOC only shares EEO-1 data with private researchers under the Intergovernmental Personnel Act and subject to strict confidentiality agreements. Before a researcher can be granted access to any EEO-1 data, he or she must first sign a written agreement providing that (1) the researcher agrees to be subject to the confidentiality provisions of Title VII and to be responsible for ensuring compliance with Title VII confidentiality by any of the researcher's staff who work on the project, (2) the researcher will not disclose the data to anyone other than staff working on the project, (3) prior to publication or dissemination of any dissertation, report, research, statistics or other work product based on the EEO-1 information, the researcher must submit the work product to the EEOC for its review and determination in writing that no confidential information will be released, (4) the EEO-1 data received from the government will not be used for other than the stated purpose of the research, (5) upon conclusion of the project, the researcher must return to the EEOC all original documents supplied by the agency, and must confirm in writing that any working copies of the EEO-1 information have been destroyed, and (6) any violation of the confidentiality agreement could result in penalties including criminal prosecution

under Title VII. Researchers are given very clear instruction on how to preserve the confidentiality of EEO-1 data, and in the EEOC's experience, researchers are extremely mindful of the sensitivity of the data they receive. Sharing data with researchers under these agreements has never resulted in a confidentiality breach, nor has an individual's personal information been released.

OFCCP receives EEO-1 data on federal contractors through its own legal authority under Executive Order 11246, as amended, and the implementing regulations. OFCCP will obtain, through the Joint Reporting Committee, EEO-1 summary pay data *only* for those federal contractor filers over which Executive Order 11246 gives OFCCP jurisdiction. OFCCP will not receive EEO-1 summary pay data for companies that are not federal contractors under OFCCP's jurisdiction.

OFCCP will notify contractors of any Freedom of Information Act (FOIA) requests that are made to obtain any of the data provided on the EEO-1 report, and will protect the confidentiality of EEO-1 pay and hours-worked data to the maximum extent possible consistent with FOIA and the Trade Secrets Act. However, should OFCCP receive FOIA requests for any EEO-1 data on filers not within its jurisdiction, OFCCP will refer the requests to the EEOC for a response. The confidentiality provision of Section 709(e) of Title VII applies to all EEO-1 data submitted by filers that are not federal contractors, and the EEOC adheres to that statutory provision when reviewing all requests for EEO-1 data.

#### Security

The EEOC has a current privacy impact assessment for the EEO-1, which is published on the EEOC website for employers that file the EEO-1 report, at: <https://www.eeoc.gov/employers/eo1survey/privacyimpact.cfm>

Before EEOC begins collecting summary pay data, the EEOC's information technology system will be fully compliant with Circular A-130 and the privacy impact assessment for the EEO-1 will be updated to address the revisions.

#### 11. Questions of a sensitive nature

Currently, the EEO-1 report tallies data about the sex, race, and ethnicity of the workforce by EEO-1 job category. The proposed addition of a second component to the EEO-1 report would require federal contractors and private employers with 100 or more employees to provide data on pay and hours worked. All information will be reported in a summarized manner and no employee's personal information will be reported.

#### 12. Information collection burden

##### 2016 Overview of Information Collection – Component 1

Number of Respondents: 67,146 firms filing 683,275 establishment reports

Reporting Hours: 1,055,471

Respondent Burden Hour Cost: \$30,055,086.62

##### 2017 and 2018 Overview of Information Collection – Components 1 and 2

Component 1 (Demographic and Job Category Data)

Number of Respondents: 6,260 firms filing 9,129 establishment reports  
(federal contractors with 50-99 employees)

Reporting Hours: 59,166

Respondent Burden Hour Cost: \$1,872,792.41

Components 1 and 2 (Demographic and Job Category Data plus W-2 and  
Hours-Worked Data)

Number of Respondents: 60,886 firms filing 674,146 establishment  
reports (all filers with 100 or more employees)

Reporting Hours: 1,892,979.5

Respondent Burden Hour Cost: \$53,546,359.08

Burden hours for Component 1 are estimated to be 8 hours per filer for firm-level functions and 1 hour per each additional report for establishment-level functions. Burden hour costs are estimated at \$268.82 per filer for firm-level functions. For filers submitting their reports by data entry, each separate report filed has an estimated burden hour cost for establishment-level functions of \$20.88, and for filers submitting via data upload, each separate report has an estimated burden hour cost of \$14.03.

Burden hours for both Components 1 and 2 together are estimated to be 15.2 hours per filer for firm-level functions and 1.9 hours per each additional report for establishment-level functions. Burden hour costs are estimated at \$510.76 per filer for firm-level functions. For filers submitting their reports by data entry, each separate report filed has an estimated burden hour cost for establishment-level functions of \$39.66, and for filers submitting via data upload, each separate report has an estimated burden hour cost of \$26.66.

For filers submitting both Component 1 and 2 data in 2017 and 2018, the EEOC estimates the addition of pay data will increase the estimated annual burden hour costs by an average of \$416.58 per EEO-1 filer each year.

All burden calculation estimates include reading instructions, collecting, merging, validating, and reporting data electronically.

The EEOC estimates the one-time implementation burden hour cost associated with submitting the information required by Component 2 of the revised EEO-1 to be a total of \$27,184,381.28.

The EEOC commissioned a Pilot Study, as discussed in Section 8, to help estimate the employer burden hour cost in conjunction with internal EEOC computations and collaboration with OFCCP. The EEOC also incorporated many commenter suggestions in developing the burden estimate.

13. Information collection cost burden

The estimated one-time implementation cost for submitting the information required by Component 2 of the revised EEO-1 Report is \$27,184,381.28. This calculation is based

on the one-time cost for developing queries related to Component 2 in an existing human resources information system (HRIS), which is estimated to take 8 hours per filer, and to be performed by a computer programmer at a wage rate of \$55.81 per hour. HRIS is used by more than 90 percent of human resource departments as of the most recent data. See Public Personnel Management, Volume 39, No. 3, Fall 2010.

No significant operation and maintenance costs should be associated with the systems to be used for submitting Component 2.

No additional one-time implementation cost or operation and maintenance costs are anticipated for employers continuing to submit Component 1 only.

The EEOC anticipates that the extensive technical support and training that the agency will provide to employers/filers, as described in Sections 1 and 5 above, will mitigate the one-time implementation burden.

14. Cost to federal government

Estimated cost to the federal government for 2017 and 2018 will be \$1,621,300. This number reflects the increase in contract costs resulting from the addition of the pay data collection and the estimated internal staffing costs. Specifically, this estimate includes the contract costs under the former collection regime, plus current staff costs, plus additional resources for collecting pay and hour data.

In addition to these recurring costs, there is also estimated to be a one-time cost of implementation in the amount of \$318,000.

15. Program changes or burden adjustments

Starting in 2017, filers with 100 or more employees (both private industry and Federal contractor) will submit data in response to both Components 1 and 2. Contractors with 50 to 99 employees will only submit data for Component 1. Component 1 has been collected by the EEOC for many years; it directs covered employers to report annually the number of individuals they employ by job category and by race, ethnicity, and sex. Component 2 proposes to supplement Component 1 with pay and hours worked data.

It is estimated that for those firms submitting Components 1 and 2 (versus submitting just Component 1), the estimated burden hours will increase from 8 hours per filer for firm-level functions and 1 hour per each separate report for establishment-level functions to 15.2 hours per filer for firm-level functions and 1.9 hours per each separate report for establishment-level functions (see Section 12).

As discussed in Section 2, the collection of pay and hours-worked data will help the EEOC better fulfill its mission by analyzing and developing statistical evidence as investigations proceed through the Commission's charge process. It also will allow employers to more accurately self-assess their own pay practices. Further, the EEOC will use aggregated EEO-1 data to develop studies of private sector workforces and to assist

researchers requesting data for academic studies, subject to strict confidentiality requirements (see Section 10).

16. Publication of data for statistical use

The time schedule for tabulation and publication is as follows:

|                  |                      |
|------------------|----------------------|
| Filing deadline  | March 31             |
| First Follow-up  | April 15             |
| Second Follow-up | May 15               |
| Preliminary Data | Periodic data audits |
| Final Data       | December 31          |

In each survey year a publication, *Job Patterns for Minorities and Women in Private Industry*, is posted on the EEOC web site. The publication includes non-confidential aggregations of the EEO-1 data based on various geographic and industrial criteria and can be found at <http://www.eeoc.gov/eeoc/statistics/employment/jobpat-eeo1/index.cfm>. Similar data sets are available on [www.data.gov](http://www.data.gov). Employers and researchers may use this data for self-assessment and affirmative action purposes.

17. Approval not to display the expiration date

The EEOC is not seeking approval to not display the OMB approval expiration date on the EEO-1 report.

18. Exceptions to the certification statement

The EEOC is not seeking any exceptions to the certification statement under this information collection request.

**B. Statistical Methods**

This information collection does not employ statistical methods as that term is used in the Specific Instructions for Supporting Statements for PRA Submissions.