REPORT OF THE Executive Director of Racial Equity

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PREPARED BY

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SUBMITTED TO THE GENERAL ASSEMBLY Senate Committee on Government Operations House Committee on Government Operations and Military Affairs

INTRODUCTION

3 V.S.A. § 5003(f) requires that "[o]n or before January 15, 2020, and annually thereafter, the [Executive Director of Racial Equity] shall report to the House and Senate Committees on Government Operations demonstrating the State's progress in identifying and remediating systemic racial bias within State government."

This report notwithstanding, the Director urges the General Assembly to revisit the 2024 annual report, which contains an extensive and almost entirely unaddressed list of the guidance and recommendations issued since July 2019 by the Director and/or the Office.¹

ADMINISTRATIVE MATTERS

Workforce Equity

According to the State of Vermont FY'24 Workforce Report:

• The percentage of classified State employees who identified as people of color was 6.3% in FY'24. This represents an increase of more than 50% since FY'21. It is important to note here that this comparison only includes State employees who are part of the "classified" workforce, not the "exempt" workforce into which most supervisory and managerial positions fall. State employees of color are still underrepresented in supervisory and managerial positions: In FY'24, there were a total of 13, representing only 3.1% of employees considered Managers or Supervisors. This is an increase of 1% since FY'23.

	Num	Percent	Average Salary	Average Age	Average LOS	Percent Female	Percent Male	UREG
Manager	423	5.4%	\$108,249	50.8	16.4	48.5%	51.5%	3.1%
Supervisor	1,261	16.1%	\$86,778	47.7	14.0	53.6%	46.4%	3.9%
Non-Management	6,172	78.6%	\$66,258	43.9	8.9	52.1%	47.9%	7.0%
Total	7,856	100.0%	\$71,854	44.9	10.1	52.2%	47.8%	6.3%

*Hispanic or Latino; Black or African American; Native Hawaiian or Other Pacific Islander; Asian or Pacific Islander; American Indian or Alaska Native; or Two or More Races.

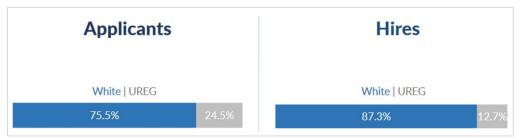
Source: The State's Human Resource Information System (VTHR). Data include only classified employees of the Executive Branch for Fiscal Year 2024. Average Salary is annual base salary of full-time employees and does not include benefits or overtime. Average YOS is average length (years) of service. UREG is underrepresented racial and ethnic groups. See Appendix D for the definition of UREG as used in this report.

Note: A managerial employee is defined in 3 VSA § 902(18) and a supervisory employee in 3 VSA § 902(16). Per Personnel Policy 6.3 the criteria used to determine a managerial designation include: the extent to which a position has influence or makes decisions regarding policy, budget, and personnel; and the organizational structure of an agency or department into divisions or major sections. The criteria used to determine a supervisory unit designation include: the number of employees supervised; the degree and type of supervisory discretion exercised; and the extent to which supervision is a significant component of the individual's job duties.

from the State of Vermont FY'24 Workforce Report

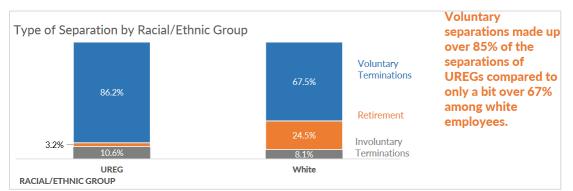
¹ Prior reports are available on the Office of Racial Equity's website: <u>racialequity.vermont.gov/reports-documents</u>

• Applicants for state service who identified as people of color were 24.5% of total applicants. People *hired* into state service who identified as people of color were 12.7% of total hires. The number of applicants of color was higher than it was in the previous fiscal year, yet the number of hires of people of color was lower than it was in the previous fiscal year. By contrast, applicants for state service who identified as White were 75.5% of total applicants, but were 87.3% of total hires.



from the State of Vermont FY'24 Workforce Report

• Among the people whose state service ended in FY'24, racial and ethnic disparities remained present. White employees who left state service were fired in only 8.1% of cases. Another 24.5% left state service through retirement. By contrast, state employees of color who left state service in FY'24 were fired slightly more often than their White counterparts were, at a rate of 10.6%. Another 86.2% of employees of color who left state service quit.



from the State of Vermont FY'24 Workforce Report

• The State continues to pay full-time employees of color less on average (\$61,609 for state employees of color, \$69,326 for White employees). The average age of employees of color is lower than the average age of White employees, so it is possible that a portion of this pay difference may be attributable to the distribution of entry-level positions among younger employees. In its report, the Department of Human Resources notes that

"A pay gap analysis does not in itself indicate a lack of pay equity. Job related factors that could account for this gap include a difference in median pay grade (UREG median = 23 vs. white median = 24) and step (UREG median step = 4 vs. white median step = 7)... A pay gap analysis provides a high-level view of any differences in pay between groups without accounting for job related factors, such as occupational differences, tenure and so on. A more detailed pay equity analysis would be required to identify if there is a difference between similarly situated individuals."

It is important to acknowledge here that while the Department's note on the limitations of pay gap analysis is correct, it omits any critical analysis or acknowledgement of the fact that differences in Pay Grade and Step are often themselves the result of hiring discrimination, and that those "job-related factors" are often manifestations of the same individual and systemic biases that can easily get explained away through otherwise ostensibly neutral data reporting. In other words, a pay gap analysis does not necessarily indicate employment discrimination between employees who are not similarly situated, but the fact that certain employees are not similarly situated is often the result of employment discrimination, so it cannot be presumed those "job-related factors" were uncontaminated by bias.

Table 59	Underre Fiscal Ye		l Racial an	d Ethnic Groups	(UREG)	and Sex	Profile -	
	Gender							
	Female	Male	Total		UREG	White	Total	
Number	4,099	3,757	7,856	Number	494*	7,362	7,856	Underrepresented
Percent	52.2%	47.8%	100%	Percent	6.3%	93.7%	100%	Racial and Ethnic
Average Salary	\$71,920	\$71,783	\$71,854	Average Salary	\$64,053	\$72,383	\$71,854	Groups (UREG)
Turnover	11.2%	11.8%	11.5%	Turnover	20.0%	10.9%	11.5%	employees had a
Average Age	45.4	44.3	44.9	Average Age	41.1	45.1	44.9	lower average sala
Generation				Generation				and a higher
Pre-Baby Boom	0.0%	0.1%	0.1%	Pre-Baby Boom	0.0%	0.0%	0.0%	turnover rate
Baby Boom	13.5%	13.1%	13.3%	Baby Boom	8.1%	13.7%	13.3%	compared to whit
Generation X	40.8%	37.6%	39.3%	Generation X	30.8%	39.8%	39.3%	employees.
Millennial	39.6%	40.4%	40.0%	Millennial	50.2%	39.3%	40.0%	
Gen Z	6.0%	8.8%	7.4%	Gen Z	10.9%	7.1%	7.4%	
Ave. Years of Service	9.8	10.4	10.1	Ave. Years of Service	6.0	10.4	10.1	
* Detail on	UREG R	epresent	ation					
								Male and female
		Hispan	ic				28.5%	employees have
								nearly identical
		Blac	:k			24	.3%	average annual
	Asian/F	Pacific Island	er			20.6%		salaries.
	Two	or More Race			1	9.4%		
					-			
Amer	rican Indian//	Alaskan Nativ	ve 📃	5.9%				
Native Hawa	aiian/Other F	Pacific Island	er 1.2%					
xecutive Branch fo	or Fiscal Year	2024. See Aj	opendix D for	VTHR). Data include of the definition of Under the offinition of Under the official of the official of the official of the official offici	rrepresente			

from the State of Vermont FY'24 Workforce Report

• The gap in turnover rates remains disparate. When comparing the 26 job titles with highest representation of employees of color against the 25 job titles with highest turnover in FY'24, seven job titles overlap on both lists. In other words, seven of the job titles with highest turnover are also seven of the job titles where employees of color are most likely to be found. The Director acknowledges that not all turnover is bad; for example, turnover may include roles that have been vacated due to promotion or retirement. However, as with the data on separation rates listed above, understanding the qualitative information behind these statistics is absolutely key—more important than knowing *how many* people left their roles.

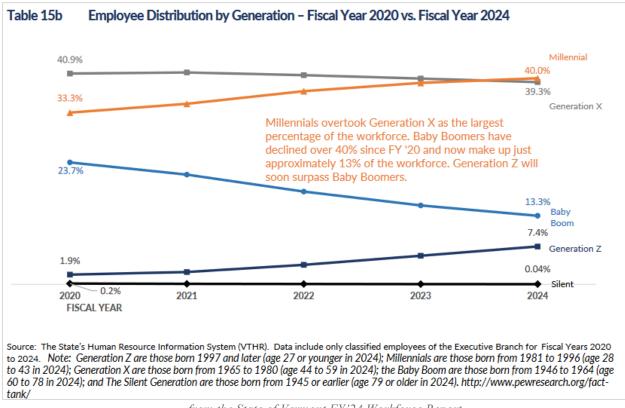
Job Title		Turnover	Job Title	Total Num.	% URE
Transportation Operations Technician I	Num. 41	61.0%	Corrections Services Specialist II	28	21.
Nurse Surveyor	12	43.5%	MV Direct Client Services Specialist I	48	20.
Motor Vehicle Direct Client Serv Spec I	55	41.8%	Civil Engineer I	25	20.
Correctional Officer I	312	41.1%	Correctional Officer I	315	19.
Probation & Parole Officer I	18	38.9%	IT Systems Developer III	33	18.
PH Programs Administrator - General	14	28.6%	Public Health Analyst III	19	15.
Mental Health Specialist	11	28.6%	MV Direct Client Services Specialist II	26	15.
VR Associate Counselor	18	27.8%	Family Services Supervisor	46	15.
Information Center Representative II	16	25.8%	Family Services Worker Trainee	20	15.
Correctional Educator	21	23.8%	Environmental Analyst III - General	21	14.
IT Systems Developer I	18	22.9%	Program Technician I	22	13.
Family Services Worker Trainee	22	22.7%	IT Systems Developer II	15	13.
Assistant State Fire Marshal	23	21.7%	Registered Nurse II - CSN	23	13.
Force Protection Officer	19	21.1%	Community Correctional Officer	32	12.
Economic Services Supervisor	29	20.7%	Education Programs Coordinator I	16	12.
Public Health Specialist I	15	20.7%	Public Health Analyst II	16	12.
Registered Nurse II - CSN	20	20.0%	Correctional Officer II	91	12.
VT Healthcare Service Specialist III	10	20.0%	Administrative Services Technician IV	36	11.
PSAP Emergency Communications Dispatcher I	26	19.2%	Probation & Parole Officer II	36	11.
Administrative Assistant A	11	19.0%	Correctional Educator	18	11.
Administrative Services Technician III	11	19.0%	Civil Engineer II	29	10.
AOT Senior Manager I	11	19.0%	Trooper	156	10.
PH Services District Director I	11	19.0%	Licensed Nursing Assistant	40	10.
Public Health Specialist II	38	18.7%	Program Technician II	52	9.
Airport Fire Fighter	17	18.2%	Public Health Specialist II	42	9.
			Administrative Services Coordinator II	66	9.

Data from the State of Vermont FY'24 Workforce Report, emphasis added

• To understand fully the impact of racial inequity on recruitment and retention, the State will need to measure the outcomes of different age groups and generational cohorts. Since the Millennial and Generation Z age cohorts are the most racially and ethnically diverse in the U.S. and in Vermont, our efforts to make the State workforce more racially equitable will necessarily have a greater impact on younger applicants and employees and our efforts to make the state workforce more likely to have a positive impact for employees identified as people of color. As the Department of Human Resources notes, "Contrary to common belief, the State of Vermont workforce is not "graying." The average age is decreasing, and Millennials and Generation Z are

rapidly growing as a percentage of the workforce while Baby Boomers are rapidly leaving the workforce.."²

• For the first time, employees of the Millennial age cohort became a larger percentage of the state employee workforce than employees of the Generation X age cohort.



from the State of Vermont FY'24 Workforce Report

WORKGROUPS

State leaders continue to grapple with the challenges and opportunities for reimagining the current system of creating and supporting workgroups. From the 2024 Director's report:

"Is this sustainable? Vermont finds itself in a difficult stage: It is a small state with high civic engagement and a very accessible state government, so it has historically been able to accomplish a great deal of intensive policy work through the low-cost or no-cost labor of workgroup members and "citizen legislators." However, over the years, the volume of research, drafting, deliberation, public engagement, investigation, and convening has grown substantially. So has the opportunity cost for performing those activities. As a result, that increased burden creates disparities in who can afford to be civically engaged and who cannot, especially when workgroups seek more diversity in their membership and call upon the same

² Fastiggi, Beth et al. "State of Vermont Workforce Report Fiscal Year 2024". Jan 13 2025.

dozen well-known people and organizations to represent the interests of historically marginalized groups. Yet, despite the increased need for this important work, the State does not currently appear to be financially equipped to be able to afford to hire or meaningfully compensate those civically engaged community members whose service on the State's boards and commissions has fueled important policy and budget transformation. Put plainly, the State is too large to keep relying on volunteers to keep government going, yet too small to be able to pay what the work is truly worth."

Addressing these issues appeared to be a priority for the General Assembly when in 2023 and 2024 the legislature dissolved the standing Government Accountability Committee and created the Summer Government Accountability Committee through Act 53 of 2023. The Committee's stated intent was, among other things, to identify

- 1. ways to ensure that the Legislative Branch is accountable to the people of Vermont by creating new processes and metrics by which to measure accountability;
- 2. ways to ensure equity in pay across commissions, boards, and joint legislative committees based on the nature of the service and required skill level;
- 3. ways to ensure equitable participation on boards and commissions and in any public engagement process mandated by the State or General Assembly by providing appropriate compensation and material support; and
- 4. codifying mechanisms for controlling and restraining the increasing number of commissions, boards, and joint legislative committees.³

The Committee's task carried an unreasonable and impossible deadline for completion, essentially dooming the group to fail by not allowing for a meaningful exploration of the topics through community input or adequate research. The Director provided two rounds of testimony⁴, which included a set of recommendations on the substantive topics of inquiry and also on the Committee's process itself. Despite assurances the dialogue would continue during the 2024 legislative session, the Committee's work culminated in bill number H.702, which did not contain even a mention of equity or inclusion—despite that being the focus of two of the Committee's four deliverables—and did not pass both chambers of the General Assembly.

For the last two years, this body of legislative work has revolved around the topics of equity and performance management, both of which are critical for the health of the state's demographics and governance. One way to help serve both aims is for the General Assembly to adopt the use of an impact assessment tool in the development of legislation. Impact assessment tools are commonplace in policymaking around the country—in fact, in many jurisdictions, they are legally required in order for proposed policies or projects to receive approval. The Executive branch has used an impact assessment tool since 2000⁵, and the Director has spent the last 5 years urging the General Assembly to adopt it.⁶ During that time, the State's impact assessment tool has been

³ No. 53. an Act Relating to Boards and Commissions., <u>ACT053 As Enacted.pdf</u>

⁴ https://legislature.vermont.gov/committee/document/2024/384/Witness/Xusana%20Davis#documents-section

⁵ The current version of the State's Impact Assessment tool and an accompanying webinar are available on the Office of Racial Equity's website: <u>https://racialequity.vermont.gov/equity-toolkit</u>

⁶ See page 7 of the Director's <u>2021 report</u>, page 9 of the Director's <u>2022 report</u>, and page 1 of the Director's <u>2023</u> <u>report</u>.

replicated, adapted, and adopted by municipalities in Vermont and by other states who have sought guidance from the Office of Racial Equity on how to implement the use of an impact assessment process in their own jurisdictions. The Office remains committed to supporting the legislature in its goal to "ensure that the Legislative Branch is accountable to the people of Vermont by creating new processes and metrics by which to measure accountability"⁷ and ensuring that legislation is crafted thoughtfully and thoroughly in cases that "affects a vulnerable population."⁸

The following is a list of workgroups the Director or Office anticipates supporting or engaging for the foreseeable future, unless and until there are changes to the Office's mandate.

Group ⁹	Formal Title ¹⁰
Act 186	Act 186 Population-Level Outcomes Working Group [L]
AIAC	Artificial Intelligence Advisory Council [VC]
CCB	Cannabis Control Board [A]
CJC	Vermont Criminal Justice Council [M]
CYFAAC	Child Youth Family Advocate Advisory Council [M]
DEW/NESSC	Diversifying the Educator Workforce (Vermont delegates to NESSC) [M]
EJAC	Environmental Justice Advisory Council [M]
EJIAC	Environmental Justice Inter-Agency Committee [M]
ELs	Equity Liaisons [C]
FIP	Fair and Impartial Policing Committee
GWEDC	Governor's Workforce Equity and Diversity Council [L]
HEAC	Health Equity Advisory Commission [M]
HHB	Harassment, Hazing and Bullying Advisory Council
HRC	Vermont Human Rights Commission [L]
ICAR	Interagency Committee on Administrative Rules
LAOB	Land Access and Opportunity Board [M]
NCJRP	National Criminal Justice Reporting Project [M]
RDAP	Racial Disparities in the Criminal & Juvenile Justice System Advisory Panel [M]
REAP	Racial Equity Advisory Panel [ED]
RJSAC	Racial Justice Statistics Advisory Council [ED]
SEC	Social Equity Legislative Caucus
SHCSTF	State House Curatorial Special Task Force [M]
TRC	Truth & Reconciliation Commission
VCNAA	Vermont Commission on Native American Affairs

⁷ Act 53 of 2024

⁸ H.702 of 2024, <u>Bill Status H.702</u>

⁹ This list does not include the many coalitions and workgroups performing equity work in Vermont's communities. It includes state-created or state-led groups, which have the distinct characteristic of being legally mandated to serve their specified function and meet defined expectations.

¹⁰ [M]—Director is a member of this workgroup. [L]—Director serves as liaison or advisor to this workgroup. [C]/[VC]—Director is a chairperson or vice chairperson of this workgroup. [ED]—Director is the Executive Director of the state office to which this workgroup is attached.

In addition to this non-exhaustive list, Vermont is also home to numerous community-based organizations performing important and impactful equity work across the state. It is equally important that the state actively engage with and support these organizations, given their deep contacts in communities and their contributions to the state's advancements in equity.

TOPICS REQUIRING CONTINUED ATTENTION

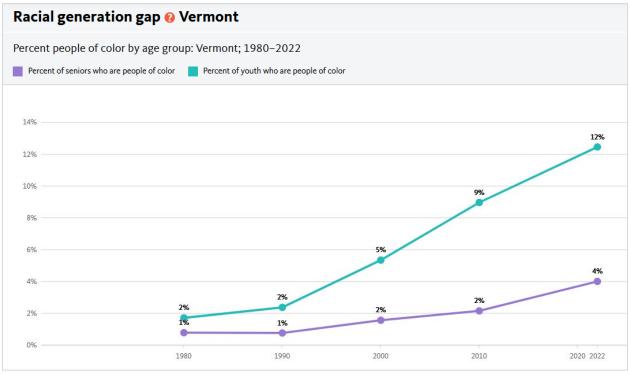
Upholding Our Values on Equity

The Office of Racial Equity has articulated a set of values that include

- Process equity,
- Systemic solutions for systemic problems, and
- Transformative change over transactional change.

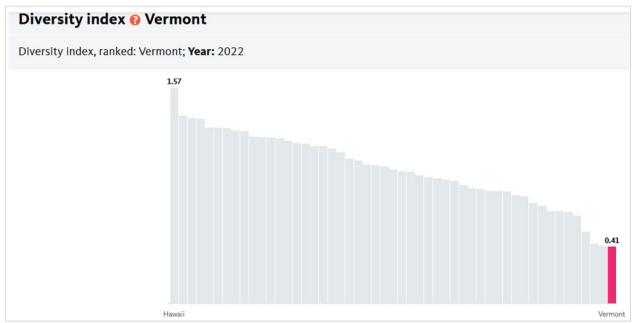
More than ever, it is imperative that government reaffirm its commitment to being mission-driven, and that the mission of government rest on an uncompromising foundation of justice and equity. Communities around the state and around the country have witnessed the continual rollback of important policy to ensure just outcomes for all communities, particularly as major institutions lose steam and lose interest in performing the work of equity and inclusion. The ability to grow bored of this work or to opt out results from a cocktail of privilege, apathy, and myopia. Groups in the U.S. who are marginalized are not static in their membership—in other words, the leaders of today who de-prioritize equity and inclusion efforts may find themselves among the people of tomorrow who are denied equitable or inclusive existence. For example, most of us will age into disability, yet the amount of technology, infrastructure, and policy that is not designed with accessibility in mind continues to put all communities at risk because there is a collective benefit to equity and a collective harm caused by inequity.

As another example, the racial generation gap in Vermont demonstrates that Vermont's youth are increasingly likely to be people of color, and that we must therefore couple our racial justice efforts with our generational equity efforts. The racial generation gap is the difference in the percentage of youth under 18 who are people of color and the percentage of older adults over 65 who are people of color. In Vermont (and nationally), youth under 18 have higher representation of communities of color than older adults over 65. In 2022, the gap was 8% in Vermont, making Vermont one of the three states with the lowest gaps.



Source: National Equity Atlas; U.S. Census Bureau

Crucial to note here is that the three states with the lowest racial generation gaps (Vermont, Maine, and West Virginia, in that order) are also the three least racially diverse states in the U.S., in that order.



Source: National Equity Atlas; U.S. Census Bureau

As described by PolicyLink and the University of Southern California Program for Environmental and Regional Equity:

"Research suggests that the racial generation gap can have serious consequences. Society relies on a kind of intergenerational compact, whereby seniors invest in younger generations because they share a stake in their success—both for their own security in old age and for the future of their community and country. But studies have shown that America's seniors are less likely to support spending on youth when they are from different racial groups. This trend is particularly disconcerting given recent scholarship showing the positive impact that adequate school funding has on closing the educational achievement gap that persists for low-income students and students of color."¹¹

In Vermont, a common excuse for shying away from justice-focused initiatives and policies is the threat of federal funding clawbacks during the years 2017-2020 and anticipated in the imminent and indefinite future. This is a convenient way for leaders in all sectors in Vermont to avoid doing the necessary work of investing tangibly in equity efforts, and it chills the state's various institutions from expressing vocal support for creating a more just and inclusive state. It was Audre Lorde who told us "My silences had not protected me. Your silence will not protect you."¹² Before that, Ogden Nash sardonically warned that "[t]he door of a bigoted mind opens outwards so that the only result of the pressure of facts upon it is to close it more snugly."¹³ Working overtime to remain in the good graces of influential people who are fundamentally opposed to justice does not accomplish justice; it merely placates those who do not see themselves as being part of—or at least accountable to—communities that are oppressed or marginalized.

¹¹ Pastor, Manuel, et al. *Bridging the Racial Generation Gap Is Key to America's Economic Future*, PolicyLink, Sept. 2017.

¹² Lorde, Audre. *The Cancer Journals*. Spinsters/Aunt Lute, 1987.

¹³ Nash, Ogden. *Good Intentions*. Grosset & Dunlap, 1942.