



July 2, 2021

Shalanda Young
Acting Director
Office of Management and Budget
725 17th St. NW,
Washington, DC 20503

Re: Office of Management and Budget, Executive Office of the President, Request for Information, Methods and Leading Practices for Advancing Equity and Support for Underserved Communities through Government, Docket OMB_FRDOC_0001

Dear Acting Director Young:

The City of Portland, Oregon appreciates the opportunity to provide information to the Office of Management and Budget (OMB) on methods and leading practices to advance equity and support for underserved communities through the federal government. We write to provide information on Area 1 of the request – equity assessments and strategies. Specifically, we are responding to OMB’s request for lessons that local jurisdictions have learned from implementing equity assessment tools.

For the past five years, Portland has used a Budget Equity Assessment Tool (Equity Tool) to inform city budget decisions. This Equity Tool informs us as to how budget decisions impact underserved communities throughout the city and enables us to advance the city’s equity goals. We encourage federal agencies to consider the use of similar tools. To that end, we write to share the following experiences and observations, which we hope are instructive.

Portland’s Commitment to Advancing Equity

The City of Portland is committed to policies, practices, and procedures that center equity in the services and supports we provide to the community.

In 2011, Portland created an Office of Equity and Human Rights (OEHR).¹ OEHR’s mission is to provide education and technical support to city staff and elected officials, leading to the recognition and removal of systemic barriers to fair and just distribution of resources, access and opportunity, starting with issues of race and disability.

¹ Available at <https://www.portlandoregon.gov/oehr/>.

In 2015, the City Council adopted a set of Racial Equity Goals and Strategies as binding city policy.² These Goals and Strategies communicate the following:

- **Equity Goal 1:** We will end disparities within city government, so there is fairness in hiring and promotions, greater opportunities in contracting, and equitable services to all residents.
- **Equity Goal 2:** We will strengthen outreach, public engagement, and access to City services for communities of color and immigrant and refugee communities, and support or change existing services using racial equity best practices.
- **Equity Goal 3:** We will collaborate with communities and institutions to eliminate racial inequity in all areas of government, including education, criminal justice, environmental justice, health, housing, transportation, and economic success.
- **Strategies:** Use a racial equity framework; Build organizational capacity; Implement a racial equity lens; Be data driven; Partner with other institutions and communities; and Operate with urgency and accountability.

During this time, OEHR coordinated the development of racial equity plans for all twenty-six city bureaus.³ These detailed plans address specific racial inequities and seek to operationalize the city's Equity Goals and Strategies.

In 2016, the City Council began requiring city bureaus to use a new Budget Equity Assessment Tool for all budget proposals and base budgets and to tie those budget requests to implementation of their Racial Equity Plans and the city's Americans with Disabilities Act Transition Plan (which seeks to make city facilities and programs accessible to all).

Budget Equity Assessment Tool Overview

All city bureaus must complete the Budget Equity Assessment Tool as part of their annual budgeting process. The Equity Tool is incorporated in the budget submission platform. It is comprised of a set of questions to guide city bureaus and their budget advisory committees in providing a holistic assessment of how budget allocations benefit and/or burden communities, especially Indigenous people, Black people, immigrants and refugees, people of color, and people with disabilities. It asks for information on both the year-to-year base budget and on proposed budget changes.

² *Citywide Racial Equity Goals & Strategies*, OEHR, <https://www.portlandoregon.gov/oehr/article/537589>.

³ *Bureau Racial Equity Plans*, OEHR, <https://www.portlandoregon.gov/oehr/70048> (last visited June 30, 2021).

Among its questions, for example, it requires narrative answers to the following:

- How does the Requested Budget advance the achievement of equity goals as outlined in the bureau’s Racial Equity Plan?
- In what ways does the Requested Budget benefit Indigenous people, Black people, immigrants and refugees, people of color, and people with disabilities?
- In what ways does the Requested Budget negatively impact Indigenous people, Black people, immigrants and refugees, people of color, and people with disabilities?

A guide to the Equity Tool is attached to this letter.

Both Portland’s City Budget Office (CBO) and the OEHR review bureau responses to the questions in the Equity Tool and provide feedback to the bureaus, including thoughts, questions, and sometimes recommendations based on the information submitted.

The Equity Tool serves multiple purposes. First, it provides decision-makers with information on how budget decisions impact the bureaus’ and the city’s equity goals. Second, it increases the bureaus’ consideration of equity during the development of their base budgets and budget decision packages. Working through the tool often identifies equity impacts and opportunities, as well as unintended consequences. It allows bureaus to identify deficiencies in base budgets concerning equity and advocate to remedy them. As such, the process of using the tool by bureau staff is as valuable as the information it yields. Portland strives to reach a point where we no longer need a formal process to ensure that the questions asked by the Equity Tool are considered, but, instead, they naturally take place in all analyses of bureau programs and budget proposals.

The Equity Tool has contributed meaningfully to making equity a central consideration in all budget proposals and decisions. The FY 2020-21 requested budgets for city bureaus discuss equity in detail, and each includes a narrative description of the equity impacts of their proposals prompted by the Equity Tool.⁴

For example, the Portland Bureau of Transportation’s (PBOT) requested FY 2020-21 budget explains that it “includes several internal realignments, many of which include an emphasis on improving service to and outcomes for people of color and people with disabilities.”⁵ These include a onetime allocation of funding for equity programming, new investments into quantitative and qualitative data collection and analysis, service and project delivery focused on disability access and in neighborhoods with high rates of car crashes (where there tend to be high concentrations of people of color, low-income, and multilingual

⁴ Requested budgets available at <https://www.portlandoregon.gov/cbo/80377>.

⁵ PBOT, Requested Budget FY 2020-21 at 155, <https://www.portlandoregon.gov/cbo/article/752707>.

households), and expanded investments into community programming, including safety education and outreach, community activation of capital projects and East Portland micro-mobility strategies – “all of which will include an emphasis on diverse populations and partners committed to transportation justice.”⁶ Among its specific budget requests, PBOT proposes funding for better street lighting in order to promote safer streets and increased walkability in historically underserved areas.⁷ It also discusses constraints on advancing equity due to resource limitations, noting that an unfunded item that it had hoped to pursue is “a more proactive approach for street repair and away from the current complaint driven process, which tends to be biased in favor of historically well-served communities.”⁸ In addition to specific budget proposals, PBOT’s equity narrative addresses the bureau’s approach to managing capital assets and intergenerational equity, equity goals as to its own workforce and in contracting, and engaging impacted communities.⁹

Recommendations and Observations Based on Portland’s Experience

We wish to offer several recommendations and observations for making use of such a tool effective based on our experience. We believe our experiences may inform the adoption of a similar tool at the federal level.

- **Support from other decisionmakers, including the City Budget Office, helps make equity a central question in budgeting, not a peripheral consideration.**

The Equity Tool would have faced a much steeper path to success without full support from other decisionmakers in the City, including the CBO. The CBO analyzes the proposed budget, forecasting, and fiscal policy issues for the Mayor, City Council, City Auditor, Bureaus, and the public. With full partnership from the CBO, the Equity Tool has become a central consideration in budgeting, not a peripheral issue to be checked off toward the end of the budget process.

- **Having a meaningful mechanism for accountability is essential for success.**

Just as with the CBO’s commitment to the Equity Tool, our City Council has made a commitment to equitable policy and, consistent with this commitment, makes detailed inquiries about the equity impacts of the budgets it is asked to approve. The Council frequently calls on the Director of OEHR to provide input on budget proposals and other decisions. This high-profile public forum encourages city bureaus to provide substantive analysis and propose meaningful steps towards equity in their submissions to the Equity Tool. The Council’s reliance on OEHR’s analysis also encourages bureaus to prioritize engagement with that office and to

⁶ *Id.*

⁷ *Id.* at 151.

⁸ *Id.* at 154.

⁹ *Id.* at 158-62.

provide meaningful responses to the Equity Tool, in part because failure to do so would be revealed through these public accountability measures.

While our primary mechanism for public accountability is through the City Council, other entities or forums could serve a similar purpose at the federal level. Regardless of the mechanism, however, we believe accountability is essential to making the Equity Tool effective.

- **Focusing on the base budget allocation, not just marginal changes to the budget, has increased the Tool's effectiveness.**

When we began using the Equity Tool, city bureaus used it primarily for proposed changes in annual budgets. While that analysis was useful, it did not address the most substantial part of the budget, the base budget allocation that continues year to year. We found that by shifting our focus to the base budget itself, we were able to gather a much more comprehensive picture of the equity effects and issues of city policies and programs. This shift also helped center an explicit analysis of equity throughout the budget process.

- **OEHR plays an essential role in advancing the goals of the Equity Tool by providing a central point of contact for equity analysis.**

OEHR's role with respect to the Equity Tool is essential in part because it provides a single forum that City decisionmakers can access for questions about equity in city programs and policies generally. Without this central coordinator, the Council would have to make individual inquiries about equity with each of the city's twenty-six bureaus, a time consuming and inefficient process. OEHR is also able to serve as a hub between bureaus, identifying similar constraints between them and highlighting innovative solutions to those constraints. We believe that identifying an entity to act as a hub for equity analysis, in the way that OEHR has in Portland, makes the analysis more effective and useful.

- **Substantive support and feedback from OEHR helps city bureaus engage fully with the Equity Tool.**

OEHR has developed a formal qualitative assessment process for each of the responses to questions in the Equity Tool. OEHR assesses them as: (1) needing expansion – meaning that the response does not provide sufficient information in response to the prompt; (2) compatible – meaning that the response is generally adequate; or (3) robust – meaning that the response is complete, specific, and detailed. OEHR encourages city bureaus to provide robust responses and provides guidance and examples for how to do so. This level of feedback is helpful as the bureaus continue to operationalize the City's commitment to equity. It encourages them to make their analysis as to the individual prompts more precise and detailed, which, in turn, advances a culture of equity within the bureaus and encourages more meaningful budget changes to advance equity.

- **Identifying the purpose of the Equity Tool is necessary to develop effective questions.**

We have found that precisely identifying the purpose of the Equity Tool and its intended audience has helped us refine its questions over time. Specifically, we decided that a significant goal of the Equity Tool was to insert equity considerations into a bureau’s analysis of a proposed budget earlier and throughout the budget development process. This goal requires different questions, focused on community engagement and process, for example, than would an Equity Tool that was solely designed to gather data for decisionmakers.

- **Questions in the Equity Tool that ask for precise and specific information regarding equity impacts and barriers tend to be effective.**

One of the most effective questions for prompting useful responses asks: “Have you made significant realignments or changes to the bureau’s budget? If so, how/do these changes impact the community? Is this different for Indigenous people, Black people, immigrants and refugees, people of color, and/or people with disabilities?” We have found that this question is helpful in the way it evaluates changes over time and that it encourages specific and detailed responses grounded in experience. The discrete analysis that this question prompts about particular underserved populations is especially useful to evaluate successes and outstanding needs.

We have found that it is also effective to ask about constraints that bureaus face in pursuing equity goals. For example, the Equity Tool asks: “What are the insufficiencies in the base budget that inhibit the Bureau’s achievement of equity or [racial equity] goals?” Asking about constraints allows bureau staff to explain the barriers that they face in pursuing equity goals. This question emphasizes that our goal is not to criticize bureaus for past failings with respect to equity, but instead to focus on deepening our understanding of systemic barriers together as the city seeks to dismantle those barriers. We have also found that asking about constraints promotes creative problem solving in that it sets up analysis for how to bypass those constraints.

- **Questions in the Equity Tool that ask about community engagement are effective in increasing stakeholder outreach by the city bureaus.**

We have a line of questions in the Equity Tool that asks about current and future engagement and capacity building with affected communities, including:

- How has the bureau engaged with communities in the budget request to identify the priorities, particularly with Indigenous people, Black people, people of color, immigrants and refugees, multilingual, multicultural, and people with disabilities. How are these priorities reflected in this Requested Budget?
- How does this budget build the bureau’s capacity to engage with and include communities most impacted by inequities? (e.g., improved leadership opportunities, advisory committees, commissions, targeted community meetings, stakeholder groups, increased engagement, etc.)

- How does this budget build community capacity and power in communities most impacted by inequities? (e.g., improved leadership opportunities within Bureau Advisory Committees, community meetings, stakeholder groups, increased engagement, etc.)

This line of questioning is useful for the information provided, of course, but is especially important in the way it motivates bureaus to bring underserved community members into the budget process earlier. While bureaus have traditionally been tasked with getting community input in their budgets, the accountability and detailed information required by the Equity Tool has led to this involvement occurring earlier, which is essential to shaping policy decisions substantively.

- **While the Equity Tool is a very helpful tool, it must be paired with commitments to equity at the bureau level.**

While the Equity Tool can prompt consideration of equity issues and gather information for the City Council, CBO, and others, it cannot succeed without a commitment within the relevant bureau to using it and to advancing equity generally. City bureaus with leadership and staff that are seriously committed to equity have been more successful in using the Equity Tool effectively and making advances with respect to equity than those bureaus with less internal commitment. We believe that the Equity Tool can help refine and develop thinking and analysis, but it cannot succeed without real commitment to using it by personnel.

The City of Portland is proud of our work to advance equity through our Budget Equity Assessment Tool. We respectfully suggest that federal agencies consider adopting a similar tool to make equity central to decisions about allocating federal dollars. We hope that our observations about how to maximize the effectiveness of our Equity Tool are helpful in your consideration of whether and how to incorporate a similar process in federal decision making.

We would be happy to provide further information or answer questions related to this comment. Please contact us through our counsel, Robin Thurston at rthurston@democracyforward.org.

Sincerely,

Robin F. Thurston

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Counsel for City of Portland

Attachment: *Guide to the Budget Equity Assessment Tool.*

ATTACHMENT



Please note that the Budget Equity Tool is now included in the Budget Formulation Management (BFM) platform that bureaus will complete for the budget proposals. There is no separate Budget Equity Tool to submit. This guide is meant to help bureaus collect the information in a Microsoft Word document so they can copy and paste into the BFM to answer the Equity Assessment questions.

CITY POLICY

The City of Portland is committed to policies, practices, and procedures that center equity in the services and support we provide to the community.

POLICY

The Portland City Council unanimously passed Resolution 37144 on July 8, 2015 ratifying Citywide Racial Equity Goals and Strategies and directing City bureaus to use available tools to implement their Racial Equity Plans.

The Portland City Council unanimously passed Resolution 37247 on October 2, 2016 requiring City Bureaus to use the City's Budget Equity Assessment Tool on all budget proposals and base budgets and tie those budget requests to implementation of their Racial Equity Plans and ADA Transition Plan tasks. On October 2, 2019, The Portland City Council unanimously passed Resolution 37450 directing the Office of Equity and Human Rights to coordinate Civil Rights Title VI and ADA Title II compliance by setting Citywide policies and accountability measures.

The City of Portland Citywide Racial Equity Goals and Strategies communicate the following:

Equity Goal #1

We will end disparities within city government, so there is fairness in hiring and promotions, greater opportunities in contracting, and equitable services to all residents.

Equity Goal #2

We will strengthen outreach, public engagement, and access to City services for communities of color, and immigrant and refugee communities, and support or change existing services using racial equity best practices.

Equity Goal #3

We will collaborate with communities and institutions to eliminate racial inequity in all areas of government, including education, criminal justice, environmental justice, health, housing, transportation, and economic success.

Overall Strategies

1. Use a racial equity framework.
2. Build organizational capacity.
3. Implement a racial equity lens.
4. Be data driven.
5. Partner with other institutions and communities.
6. Operate with urgency and accountability.

The City of Portland has integrated the Budget Equity Assessment Tool into the budget proposal requirements. This Budget Equity Assessment Tool is a set of questions to guide City bureaus and their Budget Advisory Committees in providing a holistic assessment of how budget allocations benefit and/or burden communities, especially Indigenous people, Black people, immigrants and refugees, people of color, and people with disabilities. This analysis is required and critical to implement changes, both in the short- and long-term, to help meet bureau and City equity goals. The goals for the use of the Budget Equity Assessment Tool are:

- Use an asset management approach to achieve more equitable service levels across communities and geographies.
- Track and report on service levels and investments by community and geography, including expanding the budget mapping process
- Assess the equity and social impacts of budget requests to ensure programs, projects and other investments to help reduce disparities and promote service level equity, improve public participation in government and support leadership development.
- Identify whether budget requests advance equity, represent a strategic change to improve efficiency and service levels and/or are needed to provide for basic public welfare, health and/or meet all applicable national and state regulatory standards.

It is the policy of the City of Portland that no person shall be denied the benefits of, or be subjected to, discrimination in any City program, service, or activity on the grounds of race, color, national origin, English proficiency, sex, age, disability, religion, sexual orientation, gender identity, or source of income. Additionally, the City's Civil Rights Title VI program guidelines obligate public entities to develop systems and procedures that guard against or proactively prevent discrimination, while simultaneously ensuring equitable impacts on all persons. Therefore, this Budget Equity Assessment Tool is required and helpful for City bureaus to evaluate the impacts of the policies, the services, the programs, and the resource allocations on all residents.

The Office of Equity and Human Rights is also available for discussion/training/consultation regarding the use of this document.

INTRODUCTION

The FY 2020-21 budget development process includes a Program Offer budgeting intended to provide a clear, concise description of bureau budgeted programs at the 6-digit functional area level. The template includes both general guiding questions to help bureaus use an equity lens when writing program descriptions, as well as a dedicated section to provide equity information specific to that program. Bureaus will also be expected to identify benefits and/or burdens in any decision packages resulting from a Council Direction to Develop.

The Budget Equity Tool will continue to serve as a guide for more robust equity analysis. In your responses below, please consider the Bureau's Requested Budget as a whole.

BUDGET EQUITY TOOL QUESTIONS

1. How does the Requested Budget advance the achievement of equity goals as outlined in the bureau's Racial Equity Plan?
 - a. In what ways does the Requested Budget benefit Indigenous people, Black people, immigrants and refugees, people of color, and people with disabilities?
 - b. In what ways does the Requested Budget negatively impact Indigenous people, Black people, immigrants and refugees, people of color, and people with disabilities?
2. Describe how has the bureau engaged with communities in the budget request to identify the priorities, particularly with Indigenous people, Black people, people of color, immigrants and refugees, multilingual, multicultural, and people with disabilities. How are these priorities reflected in this Proposed Budget?
3. What are the insufficiencies in the base budget that inhibit the bureau's achievement of equity or the goals outlined in the Racial Equity Plan?
4. The bureau is required to describe notable changes to bureau wide equity efforts, mandated or otherwise, that are new for the upcoming budget year. Please note how the bureau plans to operationalize the new initiative and collect relevant data.
5. If the bureau has dedicated equity staff, such as an Equity Manager, how were they involved in developing and monitoring the bureau's Requested Budget?
6. If applicable, how is funding being prioritized to meet obligations related to Title II of the Americans with Disabilities Act and the bureau's Transition Plan barrier removal schedule?
7. What funding have you allocated in the bureau's budget to meet the requirements of ADA (Americans with Disabilities Act) Title II and Civil Rights Title VI? This includes but is not limited to:
 - Funding for translation, interpretation, video captioning, and other accommodations
 - Translation of essential documents into safe harbor languages
 - Engagement efforts with multilingual and multicultural communities

8. If the bureau has capital assets, how does the Requested Budget take into consideration intergenerational equity (ensuring that those who are currently benefiting from the service are paying for its upkeep versus placing the financial burden on future generations)?
9. How does the bureau use quantitative and qualitative data disaggregated by demographics, to track program access and service outcomes for different populations? Please provide the data source(s)
10. Please take a look at the City of Portland's workforce demographic dashboard: <https://www.portlandoregon.gov/oehr/article/595121>. How does the bureau's Requested Budget support employee equity in hiring, retention, and inclusion, particularly for Indigenous people, Black people, immigrants and refugees, people of color, and people with disabilities?
11. If applicable, how does the bureau's budget create contracting opportunities for disadvantaged, minority, women, and emerging small businesses (D/M/W/ESB)?

IDENTIFYING IMPACTS WORKSHEET

Please use the following chart as a template to name the potential burdens and benefits.

Populations Impacted	Potential Positive Impacts	Potential Negative Impacts

Rev: December 2019

FREQUENTLY ASKED QUESTIONS

How should a bureau use this tool to develop its budget?

Notably, the tool not only provides decision-makers with information on how budget decisions impact the bureau/city's equity goals, but the tool is also intended to guide budget development. In this sense, the process of using the tool is equally as valuable as the information it yields.

What are some ways in which the bureau advisory committee can use the tool?

Working through the tool should provide answers to impacts and opportunities, as well as uncover unintended consequences. It will also allow BAC's to see deficiencies in base budgets concerning equity and advocate on their bureau's behalf.

How will this information be used? Who is the audience?

The Office of Equity and Human Rights established the Budget Equity Tool in order to give greater consideration of how budget decisions impact different communities across the City and move forward the City's equity goals, beginning in the FY 2015-16 budget process. This tool includes a series of prompts that are intended to increase the consideration of equity in the development of bureau base budgets and decision packages in addition to providing decision-makers and the public with information on how underserved communities will be impacted by budget decisions.

The information will be reviewed by the Office of Equity and Human Rights and the City Budget Office. During the budget sessions, both will offer thoughts, questions, and possibly recommendations based on the information within the document. OEHR may engage with the bureau director prior to the presentation of the budget at the scheduled council session.

How will bureaus receive feedback on the tool?

Bureaus may receive general feedback from the Office of Equity and Human Rights on their completion of the tool. Staff capacity precludes a formal report from being prepared. The Office of Equity and Human Rights will provide technical assistance upon request by bureaus.

Who can I contact for assistance?

Please contact Koffi Dessou or City Budget Office analysts for assistance.

ADDITIONAL RESOURCES

Link to Racial Equity Plans

<https://www.portlandoregon.gov/oehr/70048>

City Budget Office Contacts

<https://www.portlandoregon.gov/cbo/article/474294>

Office of Equity and Human Rights Contact

Koffi Dessou at koffi.dessou@portlandoregon.gov