



Department of Defense Equity Action Plan April 2022

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List of Acronyms

Abbreviation	Description
AI	Artificial Intelligence
CA	Customer Agreement
COE	Center of Excellence
DEI	Diversity, Equity, and Inclusion
DEPSCoR	Defense Establish Program to Stimulate Competitive Research
DIU	Defense Innovation Unit
DoD	Department of Defense
DoDEA	Department of Defense Education Activity
DPC	Defense Pricing and Contracting
EO	Executive Order
FY	Fiscal Year
HBCU	Historically Black College and University
HUBZone	Historically Underutilized Business Zone
IPC	Interagency Policy Committee
JAIC	Joint Artificial Intelligence Center
MCCYN	Military Child Care in Your Neighborhood
ML	Machine Learning
MPP	Mentor Protégé Program
MSEP	Military Spouse Employment Partnership
MSI	Minority Serving Institution
NAEP	National Assessment of Education Progress
NALEMP	Native American Lands Environmental Mitigation Program
NPS	National Park Service
OMB	Office of Management and Budget
OSBP	Office of Small Business Programs
PFAS	Per and Polyfluoroalkyl Substances
POAM	Plan of Action and Milestones
PTAC	Procurement Technical Assistance Center
RAB	Restoration Advisory Boards
RAI	Responsible Artificial Intelligence
RIF	Rapid Innovation Fund
SBIR	Small Business Innovation Research
SDB	Small Disadvantaged Business
SDVOSB	Service-Disabled Veteran Owned Small Business
SECO	Spouse Education and Career Opportunities Program
SMART	Science, Mathematics, and Research for Transformation Scholarship-for-Service Program
STEM	Science, Technology, Engineering, and Mathematics
STTR	Small Business Technology Transfer
S&T	Science and Technology
TPPTTP	Taking the Pentagon to the People
WOSB	Woman-Owned Small Business

Executive Summary

In January 2021, the Department of Defense (DoD) took steps to immediately implement President Biden's Executive Order (EO) 13985, *Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*, by conducting an equity assessment to identify potential barriers that underserved communities and individuals face regarding Federal programs. The enclosed responds to EO 13985, which requires Federal agencies to produce an equity action plan.

While the Department has historically focused on increasing equity within the DoD community, the collective actions described in this plan represent a shift in the Department's approach and focus to better ensure that we leverage our capabilities to create opportunities for *all* Americans. Within 90 days of the issuance of the plan, the Chief Diversity and Inclusion Officer will send the Deputy Secretary of Defense an implementation plan with clear milestones and completion times for each of the five actions described below.

These actions demonstrate a Department-wide commitment to this approach and establish a holistic strategy for continuing to cultivate enduring and equitable change.

- **Procurement and Contracting:** Close gaps in small business participation, participation by other underserved communities, and improve workforce equity through an ambitious equitable procurement and contracting agenda that includes advancing equity throughout the supply chain, such as advancing opportunities for prime and subcontractors who are members of underserved communities.
- **Military Installations:** Advance equity for communities around military installations and bases, including through the Native American Lands Environmental Mitigation Program, the Defense Environmental Restoration Program, and prioritizing clean-up of Per and Polyfluoroalkyl Substances (PFAS).
- **Military Families:** Advance equity for military families who are members of underserved communities, including through increased investments and expanded programming in DoD Educational Activity (DoDEA) schools, improving economic security and opportunities for military spouses, advancing health equity, and combating economic challenges experienced by military families related to housing and food insecurity.
- **Equitable Artificial Intelligence (AI) Research and Development:** Become a leader on equitable AI research and development through programs such as Artificial Social Intelligence for Successful Teams, Grounded AI Language Acquisition Research, and Guaranteeing AI Robustness Against Deception.
- **Underserved Community Investment:** Invest in under-served communities and expand access to DoD programs and opportunities by increasing investments in Minority Serving Institutions (MSIs) and investments in K-12 and K-20 programs.

Summary of Accomplishments

In January 2021, President Biden issued EO 13985, *Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*, which aims to maximize Federal agencies' approaches to enhancing equity and embedding equity in decision-making processes. To immediately comply with EO 13985, Secretary Austin signed a memorandum on January 29, 2021, rescinding all previous Department-level memoranda implementing EO 13950, *Combating Race and Sex Stereotyping*. In his memorandum, the Secretary pledged his "full support and commitment to a cohesive and ready force that nurtures equal opportunity for all."

Throughout the Department, numerous equity-related efforts have been accomplished which relate to the five actions in this plan. In February 2021, Secretary Austin directed commanding officers and supervisors at all levels to conduct a one-day "stand down" for discussion of the principle that all those who support DoD's mission deserve an environment free of discrimination, hate, and harassment. This included a focus on how extremist activities violate the fundamental principles of the Department. Shortly thereafter, DoD took steps to ensure transgender individuals who wished to serve in the military and could meet the appropriate standards were able to do so openly and free from discrimination. The Department accomplished this by revising multiple policies to bring them into compliance with EO 13985 and EO 14004, *Enabling All Qualified Americans to Serve Their Country in Uniform*.

In October 2021, Secretary Austin issued a memorandum emphasizing the important role of small businesses in the defense industrial base. The memorandum tasked the DoD Office of Small Business Programs (OSBP) with refreshing the DoD Small Business Strategy to maximize small business capabilities through a Department-wide approach. This strategy will better align the Department's efforts with the President's focus on increasing the share of dollars going to small businesses by lowering barriers to entry and increasing competition opportunities for small businesses and traditionally underserved entrepreneurs. OSBP is currently creating an implementation plan to accompany this new strategy to ensure clear adherence and measures of success for increasing the small business footprint in the contracting marketplace.

DoDEA has been a trailblazer in leading diversity, equity, and inclusion (DEI) efforts for DoD-operated primary and secondary schools. For example, DoDEA released a four-year strategic initiative in the areas of recruitment and retention, promotion and development, and teaching and learning; established its Headquarters DEI Team to identify opportunities for improvement, book studies, and sharing best practices; provided professional DEI learning and consultation for leaders; and launched DEI working groups in its eight school districts, three regions, and headquarters.

DoDEA was not the only DoD organization to take steps to foster equity in the education arena. In Fiscal Year (FY) 2021, to build infrastructure and enhance education programs at Historically Black Colleges and Universities (HBCU) and MSI, the HBCU/MSI Program awarded 70 equipment grants totaling \$30.4 million to 32 HBCUs, 37 MSIs, and 1 Tribal College or University. In FY 2021, the Department launched two new Centers of Excellence (COE) in Biotechnology and Materials Science at HBCUs, totaling \$15 million investments.

In May 2021, Deputy Secretary of Defense Hicks issued a memorandum reaffirming the Department's Ethical Principles for AI as being responsible, equitable, traceable, reliable, and governable. The memo further tasks the Joint Artificial Intelligence Center (JAIC) to be DoD's coordinator for development and implementation of the Responsible Artificial Intelligence (RAI) strategy. Similarly, DoD's Defense Innovation Unit (DIU) publicly released voluntary implementation guidance for responsible AI, which provides a practical approach for incorporating DoD's AI Ethics Principles in AI product planning, development, testing, and evaluation.

The Department also took action to address adverse equity-related effects that occur within its military family population due to changing regional and national-level economic factors. The Secretary announced a series of economic and food security initiatives in November 2021, which included temporary increases in Basic Allowance for Housing, and increases in authorizations for Temporary Lodging Expenses. DoD also released a Military Leader's Economic Security Toolkit with specific resources for leaders on how to identify Service members who are struggling to feed themselves and their families, how to engage in difficult conversations to assess food insecurity, and connect Service members to additional resources and support programs. Furthermore, DoD introduced two pilot offerings, FlexJobs and Udemy, to bolster military spouse employment opportunities.

Action One: Procurement and Contracting

The Department implements programs that are designed to increase participation of small businesses, including small businesses from socio-economic categories and other underserved communities in DoD procurements for delivery of products, services, and technologies that benefit the warfighter. Additionally, the Department emphasizes contracting with entities employing individuals with disabilities under the AbilityOne Program and statutory pilot authorities. The Department also uses its acquisitions to drive equitable employment conditions for industry workforce on military projects. Through its equity efforts, the Department seeks to close participation opportunity gaps for underserved communities through an ambitious, equitable procurement and contracting agenda that includes advancing equity throughout the supply chain. This agenda is anticipated to result in a more competitive and robust defense industrial base delivering combat and support capabilities, with the collateral effect of increasing equity.

Barrier to Equitable Outcomes

While assessing participation by small businesses (including categories of small businesses) as well as by AbilityOne entities, the Department identified the following barriers:

- DoD-specific procurement and contracting processes and compliance requirements.
- Lack of simplified and clear entry points for small businesses into the defense marketplace.
- Unclear communication of opportunities for small businesses and lack of access to information on requirements for bid.
- Financial instability and other inequitable working conditions for the contractor workforce.

These barriers inhibit the interest and ability of some businesses, particularly small businesses, to pursue DoD procurement opportunities.

Action Plan to Reduce Barriers

To address these barriers, the Department identified three actions:

Set, resource, and implement a galvanizing goal around advancing opportunities for prime and subcontractors who are members of underserved communities.

To drive the increase of small business participation opportunities in DoD acquisitions, including participation by small disadvantaged businesses (SDBs), women-owned small businesses (WOSBs), service-disabled Veteran owned small businesses (SDVOSBs) and businesses located in historically underutilized business (HUB) zones, the Department will capitalize on ongoing strategic planning efforts such as the DoD Small Business Strategy and its implementation plan.

The Department also increased its SDB goal in support of the President's equity agenda, and will fully implement the other management actions called for by Office of Management and Budget (OMB) M-22-03, *Advancing Equity in Federal Procurement*

(December 2, 2021). For example, DoD will utilize disaggregated data on the federal contract spend, including by race and ethnicity, to help understand where disparities exist. Further, DoD will issue guidance to its acquisition workforce emphasizing adjustments to the category management planning and scoring process starting in FY 2022 in alignment with the Administration's recently announced reforms in OMB M-22-03.

The Department will also encourage and resource additional reviews of contracting opportunities, including opportunities below the Simplified Acquisition Threshold, by Small Business Professionals for Section 8(a) SDB set-asides and greater participation by Section 8(a) SDBs. DoD will resource and deploy market intelligence tools to the acquisition workforce, including small business professionals, to improve market research and facilitate identification of capable suppliers for defense contracts from underserved communities. This will support increasing set-aside competitions for small businesses, including socioeconomic categories, thus opening up entry points for these businesses to participate in the defense marketplace.

To improve clarity of small businesses opportunities DoD will continue to develop and update the DoD OSBP website (<https://business.defense.gov>) and the websites of Component OSBPs into one-stop shops for small businesses to access information on small business programs, resources available to small businesses, and toolkits on how to do business with DoD. This will include integration of the work of Procurement Technical Assistance Centers (PTACs), which provide counseling support to small businesses that are looking to compete for DoD contracts or perform on current contracts, with DoD's acquisition workforce for unity of effort. These PTACs help overcome the barriers to small businesses that struggle to meet DoD-specific contracting procurement practices and requirements. The Department intends to create processes that would enable DoD Small Business Professionals to leverage PTACs in conducting targeted market research and assistance efforts to support specific acquisitions. The Department will also create a unified management structure of small business programs to ensure long-term planning that better enables small businesses, to participate in DoD's programs and have a streamlined entry point into the defense marketplace.

DoD also has several small business and small business-focused programs that support and invest in research, development, and manufacturing capabilities and innovation in key technology sectors having the greatest impact on the American middle class worker. These programs include, for example, the Small Business Innovation Research (SBIR) Program, the Small Business Technology Transfer (STTR) Program, the Mentor-Protégé Program (MPP), the Rapid Innovation Fund (RIF) Program, the Technology Transfer Program, the National Security Innovation Network, the DIU, the National Security Innovation Capital Program, the Manufacturing Technology Program, the Title III of the Defense Production Act Program, the Industrial Base Analysis and Sustainment Program, and the Manufacturing Innovation Institutes. DoD will work across these programs and others such as MPP and SBIR/STTR to ensure that awards and investments are made to small business firms across the underserved communities, including by establishing small business participation or assistance baselines. The Department will also work to stabilize small business programs through

permanent reauthorization (e.g., MPP, SBIR/STTR) and dedicated funding (e.g., MPP, RIF). Finally, in order to effectively implement small business equity efforts, the Department will resource the Offices of Small Business Programs through the President's budget.

In addition to ensuring maximum practicable participation for small businesses in Departmental acquisitions, the Department also seeks to increase participation by AbilityOne entities. The DoD AbilityOne program has pledged to grow the federal-wide AbilityOne program over the next five years from 0.55% to 1.0% of DoD contract spending. This increase will match DoD's mission needs with AbilityOne capabilities to grow employment and career opportunities for Americans with disabilities, including service-disabled veterans who are not small business owners.

Advance equity through requirements on wage setting and labor practices in the DoD contractor workforce and supply chain.

DoD is working closely with the Office of Management and Budget (OMB) and other Federal stakeholders to implement EO 14026, which mandates a \$15.00 minimum wage for service contract workers on Federal contracts. DoD is actively participating in policy development to enforce union negotiating rights, use Project Labor Agreements where appropriate on construction contracts, and strengthen apprenticeship programs in critical trades.

DoD also makes targeted workforce investments to ensure our national security needs are met. The Department invests in apprenticeships, community college programs, manufacturing training, trade support, and a variety of other education and training programs that could both close existing gender, racial, and opportunity gaps and strengthen economic security. As the Department invests in the defense innovation and industrial base ecosystems, it will seek to ensure that its investments address existing equity gaps in the defense industrial base.

Empower small business programs and initiatives to lead policy and management practices across the Department.

DoD will ensure that leadership of small business programs within the Department is empowered, resourced, and has access to DoD senior leadership to lead policy management practices across the Department. DoD will also continue to implement its mandatory performance element for Senior Executives and General/Flag Officers, where applicable, who oversee acquisitions to support small business goal attainment, outreach, and acquisition planning. DoD will ensure small business professionals are empowered consistent with the Small Business Act and existing DoD policy.

Tracking Progress

To determine progress on these actions, the DoD OSBP, in coordination with Component OSBPs, and the Defense Pricing and Contracting (DPC) Office will develop an enterprise-wide plan of action and milestones (POAM) for acquisition that may be released in phases associated with their respective focus areas. The annual DoD small business goals and the biennial implementation plans for the updated DoD Small Business Strategy shall serve as the POAM on small business equity matters. For the AbilityOne Program and contractor workforce equity, the POAMs will be further

established through DPC guidance. The DoD OSBP and DPC will then track the progress of each action and milestone to ensure timely progression. After completing all exploratory actions, the DoD OSBP and DPC will re-assess next steps and update or continue to develop the enterprise-wide acquisition POAMs. Successful completion of each goal and action item will be evaluated by DoD OSBP and DPC via routine equity assessments.

Accountability

To remain accountable to identified overarching goals, the Department will routinely assess DoD acquisition opportunities for small business, AbilityOne, and contractor workforce equity factors. The Department will also conduct a review of the empowerment of DoD and Component OSBPs and of small business professionals across the Military Departments and Defense Agencies. As part of the POAMs, the DoD OSBP and DPC will assume responsibility as primary offices of responsibility for routine acquisition equity assessments within their cognizance. The Department will also continue to reduce barriers to entry, streamline how it communicates information and opportunities to small businesses and simplify entry points into the defense marketplace for small businesses.

Action Two: Military Installations and Bases

DoD seeks to advance equity and rectify past harms for communities around military installations and bases.

Barrier to Equitable Outcomes

- DoD operational and training activities during the World War II and Cold War eras resulted in adverse environmental, health, and economic impacts to some communities, including Native American communities. Historically, DoD built some temporary bases and practice bombing ranges on and near Native American lands, Alaska Native Claims Settlement-conveyed properties, ancestral lands, and reserved treaty rights areas. Legacy impacts from operations at these bases and ranges may include hazardous materials, debris, underground fuel storage tanks, lead-based paint, asbestos, munitions/explosives residue, and abandoned or unsafe sites. These impacts can sometimes create a barrier to Indigenous populations remaining on those lands by potentially hindering their development or protection of the land including their development of the land for housing or commercial purposes (e.g., harvesting timber), or protecting the land for subsistence food gathering or cultural practices held in the area. Current training and operational activities, while still significant, are conducted in a manner as to reduce adverse impacts.

More recently, DoD's efforts to expand its footprint on Guam may result in additional stress on the infrastructure of the island and the local population, much of which falls into an underserved community based on race or poverty level. Finally, the construction of a new installation in Guam coupled with the surge in military construction projects at legacy installations has increased the quantity of unearthed artifacts. The only certified repository on Guam is very small and is operated by the National Park Service (NPS) to curate the NPS's *War in the Pacific* collection.

Action and Intended Impact on Barrier

To address the barriers identified above, the Department identified two actions:

Evaluate which communities may be experiencing negative environmental, health, or economic effects, due to proximity to DoD testing sites, bases, or munitions sites, and invest in mitigating those effects and advancing equitable outcomes for those communities.

The Department has implemented and will continue to build upon a variety of programs intended to address the impacts of past DoD operational activities and siting of bases and ranges. For example, since 1996, DoD has administered the Native American Lands Environmental Mitigation Program (NALEMP) and invests at least \$12 million per year into NALEMP-funded programs. Funding provided through NALEMP Cooperative Agreements (CAs) enables tribal governments to lead NALEMP projects, incorporate "traditional ecological knowledge" into design for cleanup, and build tribal capacity regarding environmental services and technical remediation skills. In FY 2021, DoD executed a total of 15 NALEMP CAs, 10 of which were with Alaska Native tribes and 5 of which were with Native American tribes in the lower 48 states. By the end of FY

2022, DoD will execute an additional 13 NALEMP CAs: 10 with Alaska Native tribes and 3 with Native American tribes in the lower 48 states.

The Department also has programs that conduct environmental restoration activities (Defense Environmental Restoration Program), clean up contamination from a hazardous substance or pollutant or contaminant (Installation Restoration Program), and address munitions responses sites (Military Munitions Response Program). By the end of FY 2020, DoD, in cooperation with state agencies and the U.S. Environmental Protection Agency, completed cleanup activities at 85% of its cleanup sites – out of a total of 40,037 sites – and is now monitoring the results to ensure these completed cleanups remain protective.

Another of DoD's cleanup priorities is for PFAS releases. DoD is performing an assessment at 700 installations where DoD may have used or potentially released PFAS. As part of the cleanup process, DoD is addressing both drinking water (a short-term action) and groundwater (a long-term action). For this effort, DoD works in collaboration with the Environmental Protection Agency, other Federal agencies, and communities throughout this process.

- In FY 2022, DoD anticipates investing over \$1.4 billion in programs that address legacy impacts from past DoD actions.

Seek opportunities for significant new investments in underserved communities around military bases and installations.

The Department is taking steps to invest in the community and upgrade the local infrastructure in Guam. Specifically, DoD has provided approximately \$218 million in appropriated funding for outside-the-fence investments, including a cultural repository (\$12 million), public health lab (\$32 million), upgrades to the Northern Water Waste Treatment Plant (\$139.3 million), Interceptor Sewer Refurbishment (\$30.6 million), Northern Guam Lens Aquifer Monitoring System (\$3.7 million), and surface transportation network improvements (\$246 million).

The Department also invests significantly in managing and restoring habitats and wildlife populations both on our installations and with partners in the surrounding communities. One example is the conservation and recovery of threatened and endangered species, as well as common wildlife such as migratory birds and game species. In addition, numerous installations provide public access to nature and opportunities for hunting, fishing, camping, and other outdoor recreation activities. DoD also partners with conservation organizations to maintain compatible land uses surrounding DoD installations. These partnerships have established public recreation opportunities such as Wildlife Management Areas, public parks, river trail access and other resources available to underserved communities. DoD conservation investments exceed \$400 million per year.

Tracking Progress

Due to the nature of the effort, the Department anticipates long-term operation of many of the environmental restoration or cleanup programs, as they are integral to the Department's stewardship of the natural resources entrusted to its care. However,

progress on PFAS clean-up specifically is included in quarterly public meetings and regular updates to the PFAS website: <https://denix.osd.mil/dod-pfas/>.

For the ongoing work in Guam, DoD established specific inter-governmental working groups for each authorized project, consisting of relevant subject matter experts from other Federal Agencies and the Government of Guam. These working groups meet on a recurring basis to monitor project progress and to provide technical assistance as required. Furthermore, DoD actively monitors and manages the grants in Guam that implement these activities to ensure compliance with the grant award terms and conditions.

Accountability

The Department recognizes that it needs to listen to and engage with the impacted communities and strives to openly share information and collect input throughout the cleanup process. One DoD-unique community engagement tool is the use of Restoration Advisory Boards (RAB), which provides communities or individuals affected by DoD cleanup activities with a forum for focused dialogue on the installation's cleanup program. RABs are community-oriented forums that encourage and facilitate communication between citizens and installation decision-makers regarding DoD cleanups. RAB participants may include representatives from the community, installation, State, local or tribal governments, local activities, and federal, State, or local regulatory agencies. Participants review cleanup progress and provide comments and advice to the installation's decision-makers. Because the Department values this tool and its benefits so highly, we provide administrative and financial support for RABs to ensure they are sufficiently resourced to create effective partnerships.

Finally, the Department provides a variety of annual reports to Congress that summarize the Department's restorative, conservation, and clean-up activities.

Action Three: Military Family Equity Advancement

The Department seeks to advance equity for military families who are members of underserved communities. This includes advancing equity in healthcare; driving towards more equitable outcomes for students of color, students with disabilities, and students from other underserved communities in DoD schools; improving economic security and opportunity for military spouses; and combating food insecurity and other economic challenges experienced by military families.

Barrier to Equitable Outcomes

The individuals who choose to serve in our nation's Armed Forces make sacrifices of their time, talents, careers, and, in some instances, their lives, in order to maintain and strengthen the United States military. These sacrifices extend to the spouses and children of Service members who are often uprooted from employment, family, friends, and schools, relocated to new geographic locations every few years, and expected to adapt and maintain resiliency within their families. As of 2020, there were 1.5 million active duty family members. DoD has a responsibility to ensure that these family members, including those who are members of an underserved community, are not inequitably impacted as they support the DoD mission.

Service members and their families are stationed throughout the world, which can result in a lack of access to educational options. Most public schools on military installations in the continental U.S. are operated by the local community's public school district. Public school districts, particularly those in rural or remote locations, may have limited financial resources or capacity to address facility deficiencies or provide special education programs for students with disabilities.

Another barrier experienced by military families is the loss of a steady second income due to the inability of military spouses to maintain consistent employment commensurate with their qualifications. Military spouses face challenges in securing and maintaining meaningful employment due to the demands of the mobile military lifestyle, such as frequent moves and single parenting during deployments of the military member. Additionally, DoD surveys reveal that military spouse moves and lack of access to childcare are contributing factors that reduce the likelihood of military spouse employment. Of the approximately 598,000 active duty military spouses who want to work, the unemployment rate has consistently hovered around 22% (pre-coronavirus pandemic). Spouse unemployment may decrease economic or food security in the family.

Another barrier which may be experienced by military families who frequently change geographic locations and are members of underserved communities is equitable access to health care.

Action and Intended Impact on Barrier

To address the barriers identified above, the Department identified four actions:

Drive towards more equitable outcomes for students of color, students with disabilities, and other underserved students in DoD schools.

