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Memo of Understanding

Full Text of Agreement Between California State Fair Employment Practice Commission and Bank of America National Trust and Savings Association, June 1, 1964

The Bank of America recognizes that a sincere and dedicated attempt to improve the economic opportunities of minority groups should continue to be part of its civic responsibility, and that there is legitimate reason for the public to be informed as to the Bank's progress in discharging this responsibility. In order to maximize its contribution to overcome the cancerous moral evil of inequities based on race, religion, or ancestry, the Bank believes that more than passive compliance with the letter of the fair employment law is essential--that a dynamic, comprehensive program of affirmative opportunity must be sustained on a high-priority basis. The Bank is deeply committed to such a program.

To these ends the Bank has expressed its willingness to confer with minority group organizations as to progress being made and to entertain their suggestions for improved practices, has accepted a number of such suggestions, has sought the counsel of the State Fair Employment Practice Commission (FEPC), and has offered to submit periodically to FEPC vital information reflecting the status and accomplishment of the Bank's affirmative opportunity program.

Recent discussions between the Bank and the Fair Employment Practice Commission have led to this Understanding, embracing three principal dimensions of the cooperative working relationship agreed to: (1) submission of significant personnel data to FEPC, (2) continuing review by FEPC of the Bank's affirmative policy implementation and joint consultation concerning its effectiveness, and (3) periodic public reporting by FEPC on pertinent aspects of the personnel data and management action in service of the foregoing objectives.

1. Personnel Data To Be Submitted To FEPC Every Four Months

a. In addition to total employment figures, racial or ethnic groups according to which reports of work force components will be submitted are: Negro, Oriental, other nonwhite, and Spanish surname.

b. By job classes.

Class I. Normal in-hire or entrance positions generally designated as clerical. Typical positions are proof machine operator, credit checker, typist, PBX operator, statement clerk, safe deposit attendant, and teller. The teller position will be separately analyzed as a subgroup within the total. Approximately 50 percent of all Bank personnel fall within Class I.

Class II. Included here are positions immediately senior to those in Class I, e.g. first-line supervisor, senior clerical, and note teller. This class comprises about 29 percent of all personnel. In addition to the total, two sub-groups will be distinguished according to levels of responsibility.

Class III. The next higher 15 percent. Typical positions include branch operations officer, lending officer, small branch manager, administration specialist, department head.

Class IV. The highest group, comprising about 6 percent. Positions included are managers of intermediate to large branches, operations officers of major branches, heads of large administrative departments, administration specialists, supervisors of groups of branches, and senior management.

c. By location. State totals, plus each of 10 geographic areas exclusive of administration staff, and administration staff according to each of the three major locations in the San Francisco and Los Angeles areas, respectively. ERMA centers and district trust offices, although part of administration staff, will be reported for the areas in which they are situated, since their entrance staff is employed in the local market. In addition, the Bank will provide information relating to racial and ethnic distribution of personnel within the two major metropolitan areas.

d. By job opportunities.

(1) For the first reporting period, the percentages of total hires represented by each of the component minority groups as follows: San Francisco and Los Angeles central hiring offices, Sacramento, and San Diego. It is understood that virtually all hires take place in Class I, except those which occur through the several training programs. The desirability of continuing this report with respect to Sacramento and San Diego will be reappraised by the Bank and FEPC after evaluation by FEPC of the first report.

(2) For occasional, selected reporting periods:

MEMORANDUM OF UNDERSTANDING, June 1, 1964, signed by Mrs. Carmen H. Warschaw, Chairman, Fair Employment Practice Commission, and Mr. Jesse W. Tapp, Chairman of the Board, Bank of America

numbers of applicants and of hires, by racial and ethnic breakdowns, for selected cities or other areas.

(3) For the formal training programs: numbers of entrants employed for these programs and successful completions, by racial and ethnic breakdowns.

e. Applicant tallies. Tallies of applicants at the point of first interview, by racial and ethnic breakdowns will be carried out from time to time, as requested by FEPC, for limited periods, e.g. one week. Initially this will be done only at the central hiring offices in San Francisco and Los Angeles, later perhaps in other locations. It is expressly understood that no such studies will entail any form of specification or designation of individual applicants by race or ancestry.

f. If further data or additional means of spot-checking or otherwise verifying certain types of information later appear to FEPC to be necessary or desirable, the Bank will cooperate in facilitating detailed examination of such data or augmenting its reporting.

g. Apart from such statistical information, the Bank will keep FEPC advised as to any significant activities or developments relating to recruiting, training, upgrading, or other personnel processes which might have bearing on the general subject of this Understanding.

2. Policy Implementation: Continuing Review And Consultation

While the personnel data to be reported as described above are essential to the advancement of equal employment opportunity, such data alone will not provide an adequate basis for appraisal and strengthening of the Bank's overall employment practices. There will also be thoroughgoing study of all the policies and processes bearing upon recruitment, selection, training, and promotion of personnel, from which may emerge, in joint consultation, ideas and recommendations for increasingly effective practices. FEPC's examination of the Bank's practices affecting personnel will be as comprehensive as deemed necessary. The spirit in which this work proceeds will be that of a cooperative, affirmative endeavor, seeking full realization of the basic purpose of the Bank's policy on equal employment opportunity and of the intent of President Peterson's strong declarations on this subject.

In general, the main features of an affirmative program of this nature are set forth in the FEPC brochure, Promoting Equal Job Opportunity: A Guide for Employers. Features which, it is anticipated, will be applicable and useful in the Bank's program--to be supplemented by others resulting from experience, from consultation with FEPC, or from suggestions by concerned minority group organizations--are the following:

Policy. The Bank will continue to make every effort to ensure that its statement of equal employment policy as it affects hiring, promotions, training, and assignment carries the full force and effect of a major policy promulgated by the highest authority in senior management, and is carried out at all levels.

Recruiting. The Bank utilizes the services of the minority specialists in the various California State Employment Service offices throughout the State.

The Bank will expand its efforts to make its policies and personnel needs known to churches, school principals, teachers, counselors, and to other organizations, agencies and individuals which may provide communication or access to prospective minority applicants. Minority employees will be encouraged to refer qualified friends and relatives.

The Bank will participate with school districts in distributive education programs potentially leading to Bank employment and will provide speakers or other assistance to "Career Day" and similar activities.

Hiring. The FEPC employment poster is displayed at all Bank installations. Personnel, medical, and security procedures will be continuously reviewed to eliminate any possible discrimination, actual, inadvertent, or apparent.

Tests and standards have been and will be reviewed to make sure that they are valid for the positions, uniformly applied, and free of inadvertent bias. Special efforts will be made to ensure that personnel involved in hiring will be thoroughly aware of the problems of minority applicants.

Training. Special efforts will be made to recruit minority persons for training programs which lead to higher-skilled, supervisory, and executive responsibilities. Minority employees will be encouraged, along with others, to participate in American Institute of Banking courses, and will be counseled regarding methods of personal and career advancement.

Transfer and promotion. Promotional channels and decision-making will be continuously reviewed to make certain that minority employees have equal opportunity and are fully aware that advancement will take place on merit alone.

Advertising. Advertising of employment vacancies will be carried in minority news media among others and will emphasize the Bank's equal opportunity policy. Minority group persons will be among those portrayed in the Bank's general advertising in mass media.

3. Public Reporting

FEPC has the right and responsibility to determine what information should be released in the public interest and will accordingly prepare and issue occasional public reports summarizing and critically appraising main features of the Bank's equal opportunity policies and practices. Normally included, it is anticipated, will be discussion of areas of strength or weakness in the Bank's practices, with illustrative instances of progress or problems; appraisal of activities such as recruiting for entrance positions and for training programs; appropriate statistics and other supporting data and suggestions or recommendations which FEPC may wish to offer. It is FEPC policy not to disclose unevaluated personnel pattern information. Any views which the Bank may have as to the validity of FEPC's observations in a given report will receive serious consideration prior to its release.