



# INCLUSION AND DIVERSITY

2020 ANNUAL REPORT



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# FROM OUR LEADERSHIP

2020 was a year of learning for the firm, as tragic events across our country emphasized how much more work is needed to further inclusion and diversity initiatives throughout our nation and within our workplaces.

Our commitment to making Moss Adams a more inclusive workplace for all communities isn't new, but in 2020 we put these efforts at the forefront.

For 2021, our word of the year is *inclusion*. We've updated our strategic plan to include firmwide goals around being an anti-racist firm. The executive committee has made this a top priority as well, introducing a new, firmwide framework that includes three key components:

 **AWARENESS:** What We Know

 **ACTION:** What We Do

 **ACCOUNTABILITY:** What We Deliver



**Chris Schmidt**  
CHAIRMAN AND CEO



**Dave Follett**  
PRESIDENT AND COO



**Jen Wyne**  
EXECUTIVE DIRECTOR OF  
HUMAN RESOURCES



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# AWARENESS

This includes evaluating the firm's Inclusion & Diversity (I&D) progress and seeking to understand the experience of our Black, Indigenous, and people of color (BIPOC), as well as that of other underrepresented employees.

## ENGAGING OUR PEOPLE

We're working to understand how we can be a more inclusive firm and realize it's an evolving process. Here are the steps we took in 2020.

- **Education for Our People:** We support the ongoing growth and awareness of our people by continuing to embed I&D topics into all milestone programs on Moss Adams University, our online learning portal.
- **Response to 2020 Events:** During COVID-19 and after the death of George Floyd, our regions and Business Resource Groups (BRGs) hosted forums for employees to discuss issues they face, such as systemic racism, equity and inclusion, and balancing the demands of parenting during a pandemic.



*"I'm encouraged by the progress we've seen with Forum W. I think we can be 'All-In' with the BRGs and the underrepresented minority groups they represent. Let's create possibilities and lead the way in this industry for companies across the country."*

**SHAUNTÉ KINCH, DIRECTOR**  
**2020 WORKING MOTHER OF THE YEAR**



# FEEDBACK FROM OUR TEAM MEMBERS

Throughout 2020, we conducted pulse surveys to check in on our people's well-being and how they felt about our I&D efforts.

We compared our findings against the national external benchmark, which includes the results of a broader set of companies, to better contextualize our results and identify opportunities for improvement.

## EQUAL OPPORTUNITY



▲ **3 POINTS**  
above the external  
benchmark

*"Regardless of background, everyone at Moss Adams has an equal opportunity to succeed."*

## INCLUSION



▲ **6 POINTS**  
above the external  
benchmark

*"Partners at Moss Adams value different perspectives."*

## BELONGING



▲ **2 POINTS**  
above the external  
benchmark

*"I feel a sense of belonging at Moss Adams."*



# OUR PEOPLE BY THE NUMBERS

We believe bringing together professionals with different perspectives and backgrounds fosters an inclusive culture that makes a positive impact on our clients and people.

We want our workforce to reflect the communities in which we work and the clients we serve. To be accountable for achieving that goal, we must be aware of our progress so far.

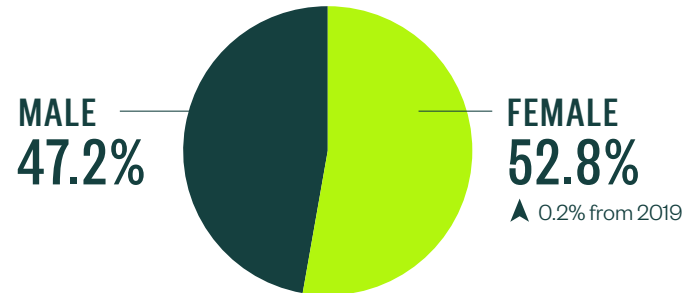
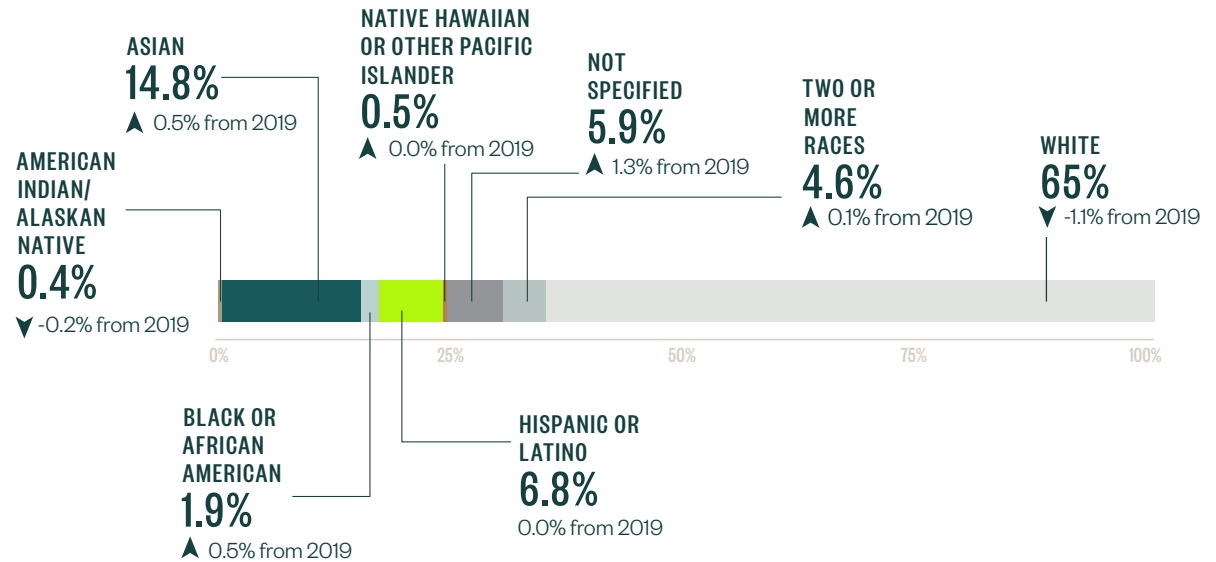
At a glance, here's an overview of our demographics at the firm. Please refer to the appendix for our full demographic data.

Overall, our racial or ethnic diversity didn't significantly change compared to 2019.



*"Leadership attending events and promoting the mission of all BRGs sends a strong message to everyone in the firm and promotes an open and progressive tone at the top."*

**PAMELA ESPARZA, MANAGER**



## VETERANS

1.61% of our people have self-identified as US military veterans

## DISABLED INDIVIDUALS

1.3% of our people have self-identified as having a disability

# ACTION

In addition to our ongoing work, we used our learnings from 2020 to strategically plan how we'll accelerate our I&D activities and build out our five year I&D roadmap.

As a first step, we chose **5 BOLD ACTIONS FOR 2021:**



## 1 BE A MORE INCLUSIVE FIRM.

CEO Chris Schmidt's 2021 Word of the Year is inclusion. The word of the year sets a tone from the top, guiding us on how we should interact with each other and approach our work.

## 2 ENHANCE PROGRAMMING AND TRAININGS.

We'll update required learning for our team members to help eliminate bias and promote equity for underrepresented communities.

## 3 HOST LISTENING SESSIONS.

These discussions with our BIPOC and underrepresented team members can help us better understand their experiences.

## 4 HOLD OUR PARTNERS ACCOUNTABLE.

As leaders of our firm, partners must live the firm's values and model anti-racist and inclusive behaviors. We'll hold all partners accountable through our partner evaluation process.

## 5 HOLD OUR PEOPLE ACCOUNTABLE.

All employees share the responsibility of creating an inclusive culture. We'll measure I&D goals as part of our employee performance review process.



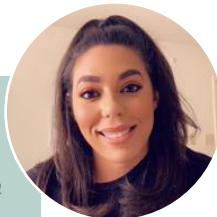
# THE IMPACT OF THE FIGHT FOR RACIAL JUSTICE

The 2020 deaths of George Floyd, Breonna Taylor, and Ahmaud Arbery deeply affected the world, and our firm responded in solidarity. Our I&D efforts shifted to more precisely focus on being an anti-racist firm.

Externally, our statement reinforced our commitment toward making Moss Adams a firm focused on equity, while internally we invested time and energy to determine how we can reach our goal of being an anti-racist firm.

In the aftermath of the 2020 assaults on Black lives, the Black BRG provided education opportunities with internal resources to increase awareness and drive individual anti-racism work for everyone across the firm.

The group also hosted four internal open forums through the year to provide a safe space for personal learning and accountability.



*"I find it brave and heart warming for a corporate firm to focus a giving campaign on Black Americans, and I'm proud to be able to participate in a campaign for something that directly impacts me."*

SAMANTHA HAIRSTON, SENIOR

## EMBRACING EQUITY AND JUSTICE FOR BLACK AMERICANS CAMPAIGN

As a firm, we stood with the Black Lives Matter (BLM) movement to contribute to three Black-led organizations fighting systemic racism in the United States:

- Race Forward
- National Urban League
- Equal Justice Initiative

The Embracing Equity and Justice for Black Americans campaign was our largest giving campaign to date, and our people gave generously—team members across the firm donated more than \$50,000. When combined with matching from the Moss Adams Foundation, our total contributions exceeded our goal of raising \$100,000.



ORGANIZATION NAME	TEAM MEMBER DONATIONS	TOTAL DONATED (WITH MATCHING)
NATIONAL URBAN LEAGUE	\$19,425	\$37,485
RACE FORWARD	\$11,305	\$21,234
EQUAL JUSTICE INITIATIVE	\$25,575	\$48,217
<b>TOTAL</b>	<b>\$56,305</b>	<b>\$106,936</b>

# ATTRACTING DIVERSE TALENT

We recognize reaching the right talent means cultivating the next generation now.

Here's how we're investing in our future by strengthening our pipeline of diverse talent.



BEFORE COLLEGE

## PARTNERSHIP WITH JUNIOR ACHIEVEMENT

*In 2020, we donated **\$25,000** to support translating one not-for-profit's middle school offerings into the Spanish language to increase access to financial-literacy education.*



COLLEGE FRESHMAN AND SOPHOMORES

## IGNITE SCHOLARSHIPS

*This **\$2,500** scholarship is awarded to 15 college freshmen and sophomores from diverse backgrounds who are pursuing a bachelor's degree in accounting or a related field.*

## LIFTOFF WEBINAR:

*Our Recruiting team shared their third annual webinar for underrepresented college freshman and sophomores, highlighting the benefits of a career in public accounting.*

*We hosted more than 600 attendees, including students, university contacts, and Guide Pilot Steer (GPS) interns.*



COLLEGE FRESHMAN, SOPHOMORES, AND JUNIORS

## GUIDE PILOT STEER (GPS) INTERNSHIP

*This precursor to our traditional accounting and consulting internship is designed to provide an inside look at the firm's operational functions with the hopes of converting participants to full-time hires.*

*It's available to freshmen, sophomores, or juniors pursuing a bachelor's degree program.*



POST GRAD AND EXPERIENCED

## THE PHD PROJECT

*The PhD Project helps us reach talent that has graduated and cultivated some experience in the industry.*

*The PhD Project's mission is "to increase workforce diversity by increasing the diversity of business school faculty who encourage, mentor, support, and enhance the preparation of tomorrow's leaders." The mission of the not-for-profit aligns with our commitment to attracting underrepresented professionals to our industry. The Moss Adams Foundation has pledged to donate **\$75,000** over three years and also sits on the organization's board.*



## OUTREACH AT HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (HBCUs)

The Moss Adams Foundation expanded our Ignite Scholarship program to include funding five additional scholarships earmarked for students attending Historically Black Colleges and Universities (HBCUs) in 2021.

We also began hosting Tuesdays with Moss Adams at HBCUs, which is a series of virtual sessions for faculty and students to connect with our recruiters and team members.

## NATIONAL CONFERENCES

In 2020, we virtually attended three national recruiting conventions:

- National Association of Black Accountants (NABA) Student Conference
- Association of Latino Professionals for America (ALPFA) Student Symposium
- Service Academy Career Conference (SACC)

At each conference, we were able to have meaningful conversations with potential candidates from all over the country.

## THE PATH FROM SCHOLARSHIP TO STAFF

Josh Rudolph was a freshman in college when he learned of the Ignite Scholarship offered by Moss Adams. “I was an on-campus multicultural ambassador and recruiter, and I understood internships in public accounting were unavailable to students so early,” he explained. “After speaking with Moss Adams, I was told the firm had recently introduced programs like the Ignite Scholarship and GPS Program internship, the first of which I was immediately eligible for. It was exciting to see a firm committed to diversity in the same way I was.”



Now, working as an assurance staff member in Seattle, Josh is grateful to the Ignite Scholarship and GPS Program for jumpstarting his accounting career. He believes these programs will continue to make a difference for underrepresented students seeking a career in public accounting.

He concludes, “These programs add resumes from a diverse group of people that may not have otherwise been there. When it comes to promoting diversity, there’s a lot of work to do in the industry and the world. These programs are a step in the right direction.”

## OUR RESULTS

In 2020, our recruiting efforts helped provide opportunities to underrepresented communities. At a glance\*, here are some of our successes:

- ▲ **5.7% increase of Hispanic or Latinx first-year staff hires since 2019**
- ▲ **5.1% increase of women interns since 2019**
- ▲ **3.7% increase of experienced Asian hires since 2019**
- ▲ **2.8% increase of Black interns since 2019**

\*Full figures are available in the appendix at the end of this report.



# RETAINING TALENT

Cultivating the diverse talent we have is equally important to attracting new talent. To do so, we're investing in our BRGs and enhancing our benefits offerings to stay ahead of the competition.

In 2020, the BRGs created firmwide resources and events to deepen awareness around the issues facing underrepresented communities, drive connection, and educate our people.

Our BRGs are led at the local level to create community, camaraderie, and connection while contributing to the firm's business objectives. They include:

- Asian BRG
- Black BRG
- Forum W
- LatinX BRG
- Pride BRG
- Racial Equity BRG
- Veterans BRG

In addition, work continued in 2020 to create the Disability BRG, which launched early 2021.

## BENEFITS SUPPORTING A DIVERSE WORKFORCE

One way we can support our diverse workforce is by recognizing each individual's unique needs, especially during a pandemic, and accommodating our people so they can bring their whole selves to work.



### INCLUSIVE HEALTH CARE

We offer transgender surgery benefits through our medical insurance provider, Aetna.



### PARENTAL LEAVE

Our gender-neutral paid parental leave policy offers new parents up to four weeks of paid time off within the first 12 months of the birth or adoption of a child.



### MAVEN MATERNITY PROGRAM

The Maven program provides 24/7 on-demand maternity, postpartum, and return-to-work support.

## RETENTION METRICS

In 2020, we reduced our turnover percentage in all self-identified underrepresented communities compared to 2019. Here's where we've improved at a glance\*:

- ▲ Women professionals: 1.9% improvement
- ▲ Hispanic or Latinx: 6% improvement
- ▲ American Indian/Alaskan Native: 11.5% improvement
- ▲ Black or African American professionals: 18.1% improvement

Though we're proud of our improved retention rates, we also saw an increased turnover rate of **Native Hawaiian** or other **Pacific Islander** professionals, which increased by **9.7%**.

\*Full figures are available in the appendix at the end of this report.

# DEVELOPING TALENT

## BRG-LED WORKSHOPS

**BRG Leadership.** Our BRGs are leading at all levels by heading workshops, such as:

*1. Courageous Conversations.* Hosted by our Racial Equity BRG, where our people get to practice learning and talking about tough subjects.

*2. Allies in Action.* Created by our PRiDE BRG, where our people learn tactics they can use to show up as better allies to their peers.

## GROWTH SERIES

In December, we closed out our fifth offering of the GroWth Series, a year-long leadership program targeting high-potential, women senior managers.

# ADVANCING TALENT

We invest in our people and want them to grow, so we offer advancement opportunities at all levels. We're deliberate in advancing people from all backgrounds to leadership because it's important to us that our firm represent the communities we're part of—it drives innovation and growth opportunities.

## MOSS ADAMS LEADERSHIP STRUCTURE



23% Women Partners-In-Charge of Office Locations

C-Suite, Executive Committee, and National Office Department Leaders

## PROMOTION RATE

- The promotion rate was slightly higher for men (19.8%) compared to women (18.7%)
- The promotion rate for Asian team members (14.8%) and Black team members (16.5%) was lower than the firm's overall promotion rate of 18.7%
- Our promotion rate for American Indian/Alaskan Native, Hispanic or Latinx, and Native Hawaiian or Other Pacific Islander communities was higher than the firm's overall promotion rate (28.6%, 19.9%, and 23.5% compared to 18.7%)

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# ACCOUNTABILITY

This final component of our plan for inclusion involves evaluating our efforts to verify we're living our values and modeling anti-racist behavior at all levels. Part of this aim includes fostering a culture of accountability in which all employees and partners share the responsibility to strengthen our inclusive culture.

Some specific action steps include:

- Committing to transparent reporting of metrics, goals, and progress at regular intervals
- Embedding I&D accountability measures at every level of business, from intern to partner



*"Earlier in my career, there were no Latinx partners or senior managers close to me. If I could've connected with other Latinx people in other offices or regions, that would have changed my perception about my path. That's why I joined the I&D board and the Latinx BRG."*

**LETIZIA BRENTANO, PARTNER**



# FINANCIAL SHOW OF SUPPORT

## GIVING TUESDAY: BRG CAMPAIGNS

Of our total Giving Tuesday donors, **20%** made donations to the campaigns created or supported by our BRGs. To date, the BRG campaigns for Giving Tuesday raised more than **\$33,000**.

## SUPPORT FOR WOMEN

We continued our commitment to transparency and sharing best practices, comparing how we stack up against the competition through sponsoring the Accounting MOVE Project.

## AWARDS

We're honored to have our people, culture, and workplace practices recognized with the following awards.



### MOSS ADAMS I&D LEADER AWARDS

Partner: **Dena Herbolich**, Assurance Partner, WA  
Employee: **Ashley Jacobsen**, Senior Manager, NC  
BRG Leader: **Nick Aoki**, Tax Manager, WA



### BLACK LEADER WORTH WATCHING

*Profiles in Diversity Journal* – **Terry Pierce**

### INCLUSION INDEX COMPANY

Diversity Best Practices

### BEST ACCOUNTING FIRMS FOR WOMEN

Accounting MOVE Project

### BEST ACCOUNTING FIRMS FOR EXECUTIVE WOMEN

National Association for Female Executives



### TOP COMPANY FOR WORKING MOTHERS AND WORKING DADS

*Working Mother Magazine*

**Thomas Zambito** – Working Dad of the Year

**Shaunté Kinch** – Working Mother of the Year



# ABOUT MOSS ADAMS

## 2020 I&D BOARD MEMBERS



**Letizia Brentano**  
PARTNER  
*Phoenix, AZ*



**Jens Furbach**  
PARTNER  
*Portland, OR*



**Marcy Boyd**  
PARTNER  
*Portland, OR*



**Dhaval Patel**  
PARTNER  
*Albuquerque, NM*



**Alison Dunnebecke**  
PARTNER  
*Denver, CO*



**Tasha Repp**  
PARTNER  
*Bellingham, WA*



**Trevor Gillespie**  
PARTNER  
*Silicon Valley, CA*



**Chris Schmidt**  
CHAIRMAN/CEO  
*Seattle, WA*



**Gerardo Godinez**  
PARTNER  
*San Diego, CA*



**Karina Stadelman**  
PARTNER  
*Seattle, WA*



**Star Fischer**  
PARTNER  
*Everett, WA*



**Kinman Tong**  
PARTNER  
*San Francisco, CA*

## STANDING MEMBERS



**Tricia Bencich**  
HR PROGRAMS SENIOR MANAGER  
*Seattle, WA*



**Dave Follett**  
PRESIDENT/COO  
*Seattle, WA*



**Jana Peterock**  
HR PROGRAMS MANAGER  
*Seattle, WA*



**Terry Pierce**  
REG CAMPUS REC SENIOR MANAGER  
*Dallas, TX*



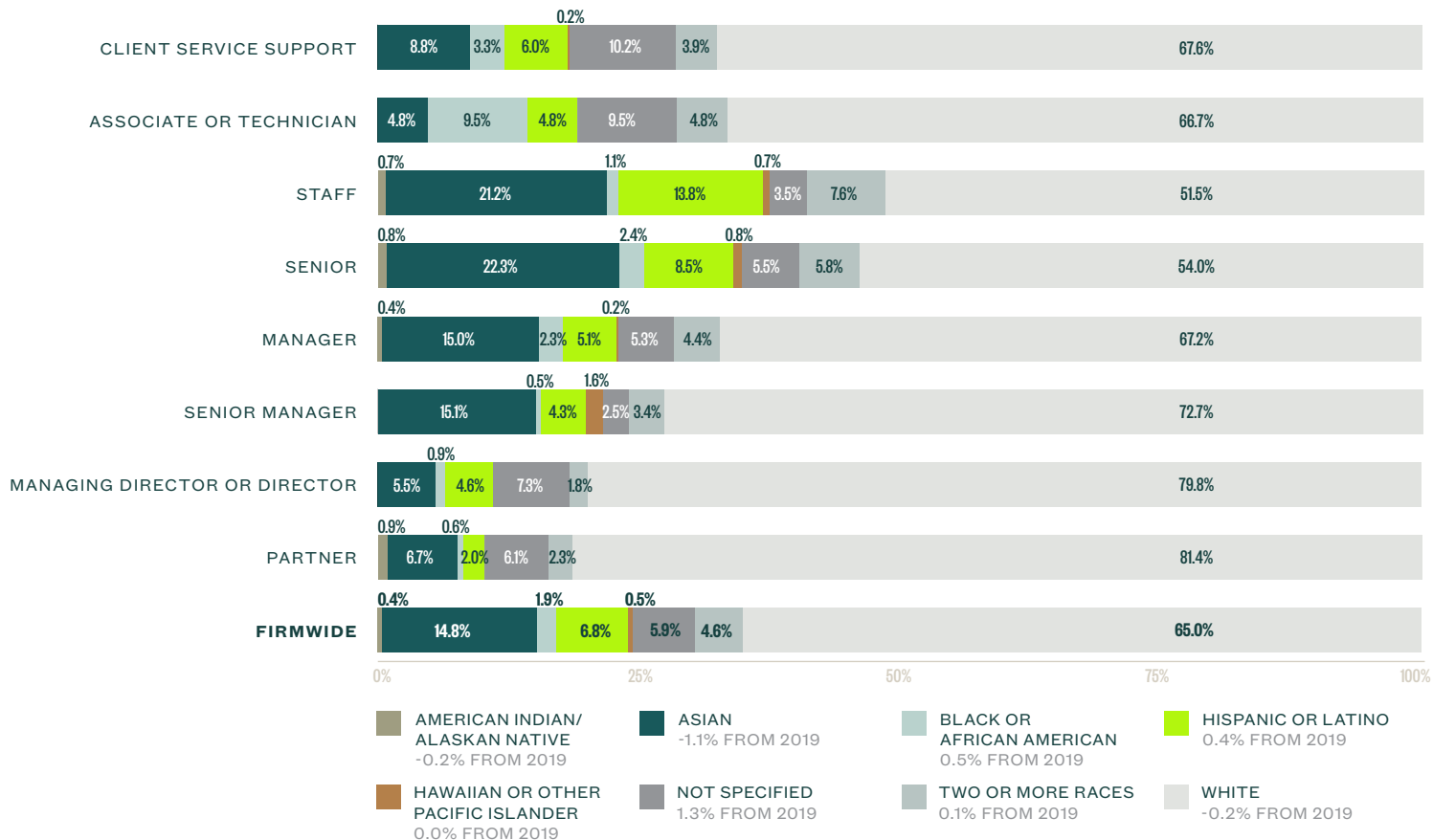
**Jen Wyne**  
EXECUTIVE DIRECTOR, HR  
*Seattle, WA*



# APPENDIX

## OUR PEOPLE

A breakdown of the different demographics at the firm.



## OUR PEOPLE

### CLIENT SERVICE SUPPORT



### ASSOCIATE OR TECHNICIAN



### STAFF



### SENIOR



### MANAGER



### SENIOR MANAGER



### MANAGING DIRECTOR OR DIRECTOR



### PARTNER



### GRAND TOTAL



0% 25% 50% 75% 100%

WOMEN MEN

### VETERAN

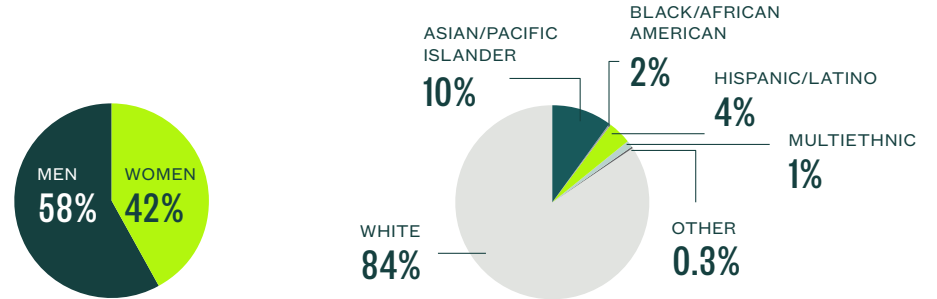
2020	2019
1.61%	1.59%

### DISABILITY

2020	2019
1.3%	1.2%

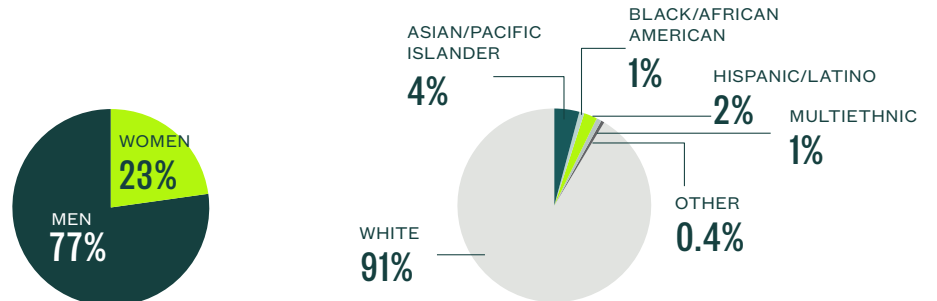
## PUBLIC ACCOUNTING

### DEMOGRAPHICS OF CPAS IN ACCOUNTING OR FINANCE FUNCTIONS AT US CPA FIRMS



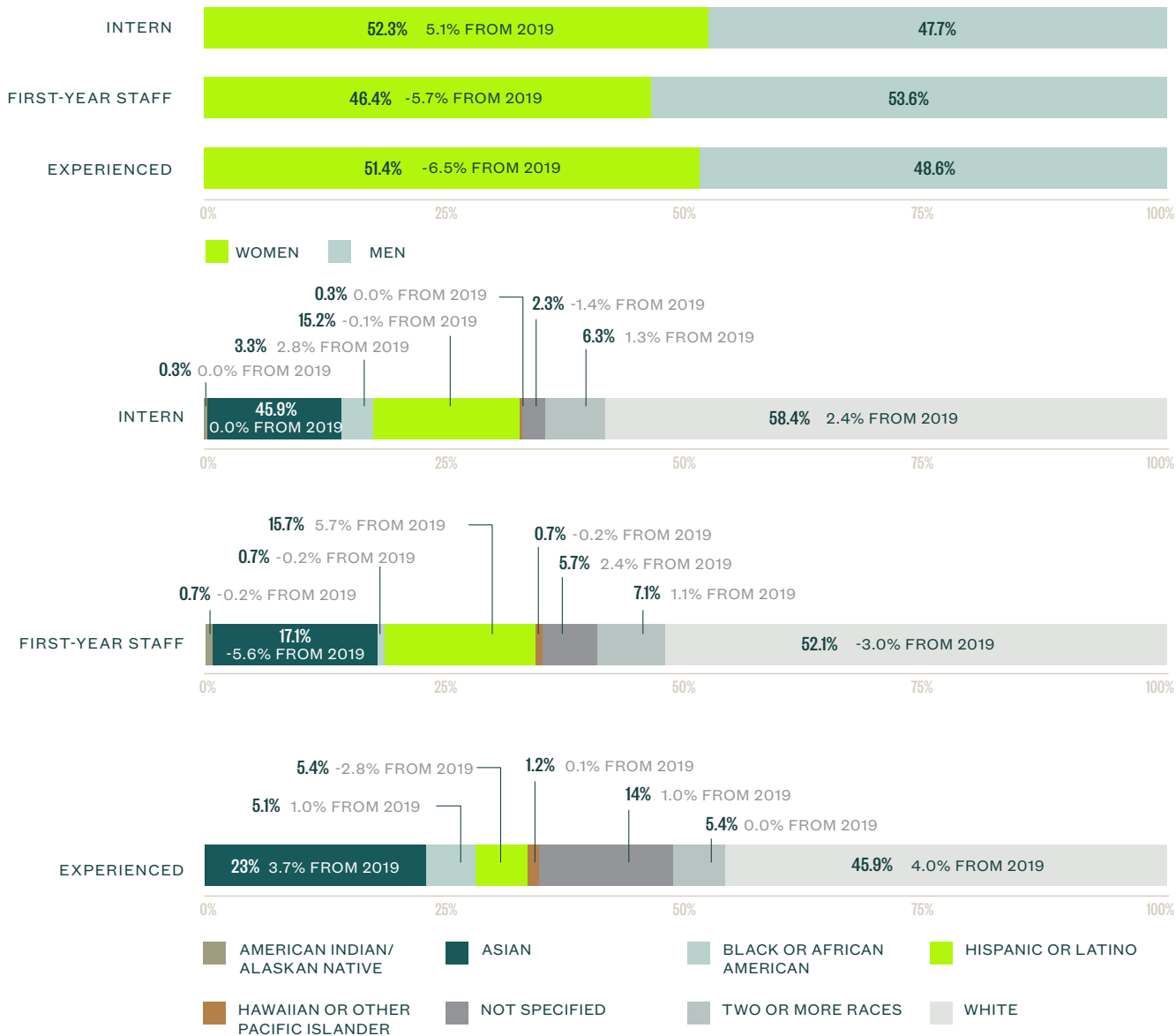
Source: AICPA's 2019 Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits

### DEMOGRAPHICS OF PARTNERS IN ACCOUNTING OR FINANCE FUNCTIONS AT US CPA FIRMS





## RECRUITING RESULTS



## TURNOVER METRICS

GENDER	2020 RATE	CHANGE FROM 2019
FEMALE	17.4%	-1.9%
MALE	22.9%	2.6%
<b>FIRMWIDE</b>	<b>19.8%</b>	<b>0.1%</b>

ETHNICITY	2020 RATE	CHANGE FROM 2019
AMERICAN INDIAN/ ALASKAN NATIVE	9.5%	-11.5%
ASIAN	19.5%	-4.6%
BLACK OR AFRICAN AMERICAN	24.8%	-18.1%
HISPANIC OR LATINO	15.5%	-6.0%
NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER	23.5%	9.7%
TWO OR MORE RACES	18.1%	-3.3%
WHITE	19.8%	1.9%
NOT SPECIFIED	26.3%	7.3%
<b>FIRMWIDE</b>	<b>19.8%</b>	<b>0.1%</b>

## PROMOTION RATE

GENDER	2020 RATE
FEMALE	17.8%
MALE	19.8%
<b>FIRMWIDE</b>	<b>18.7%</b>

ETHNICITY	2020 RATE
AMERICAN INDIAN/ ALASKAN NATIVE	28.6%
ASIAN	14.8%
BLACK OR AFRICAN AMERICAN	16.5%
HISPANIC OR LATINO	19.9%
NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER	23.5%
TWO OR MORE RACES	19.6%
WHITE	19.5%
NOT SPECIFIED	16.7%
<b>FIRMWIDE</b>	<b>18.7%</b>



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# ABOUT MOSS ADAMS

With more than 3,400 professionals across 25-plus locations in the West and beyond, Moss Adams provides the world's most innovative companies with specialized accounting, consulting, and wealth management services to help them embrace emerging opportunity. Discover how Moss Adams is bringing more West to business.

Assurance, tax, and consulting offered through Moss Adams LLP. Investment advisory services offered through Moss Adams Wealth Advisors LLC.