

**FY 2021**

**CONGRESSIONAL BUDGET JUSTIFICATION**

**OFFICE OF FEDERAL CONTRACT COMPLIANCE  
PROGRAMS**

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# OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

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# OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

## APPROPRIATION LANGUAGE

### SALARIES AND EXPENSES

For necessary expenses for the Office of Federal Contract Compliance Programs,  
[\$103,476,000] \$106,412,000.

*(Department of Labor Appropriations Act, 2019.)*

## OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

<b>AMOUNTS AVAILABLE FOR OBLIGATION</b>						
(Dollars in Thousands)						
	<b>FY 2019 Enacted</b>		<b>FY 2020 Enacted</b>		<b>FY 2021 Request</b>	
	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>
<b>A. Appropriation</b>	<b>500</b>	<b>\$103,476</b>	<b>500</b>	<b>\$105,976</b>	<b>496</b>	<b>\$106,412</b>
<i>Subtotal Appropriation</i>	<i>500</i>	<i>\$103,476</i>	<i>500</i>	<i>\$105,976</i>	<i>496</i>	<i>\$106,412</i>
<b>B. Gross Budget Authority Before Committee</b>	<b>500</b>	<b>\$103,476</b>	<b>500</b>	<b>\$105,976</b>	<b>496</b>	<b>\$106,412</b>
Shared Services Realignment	-4	\$0	-4	\$0	0	\$0
<b>C. Budget Authority Before Committee</b>	<b>496</b>	<b>\$103,476</b>	<b>496</b>	<b>\$105,976</b>	<b>496</b>	<b>\$106,412</b>
<b>D. Total Budgetary Resources</b>	<b>496</b>	<b>\$103,476</b>	<b>496</b>	<b>\$105,976</b>	<b>496</b>	<b>\$106,412</b>
FTE and Unobligated Balance Expiring	-22	-\$315	0	\$0	0	\$0
Shared Services Realignment	4	\$0	0	\$0	0	\$0
<b>E. Total, Estimated Obligations</b>	<b>478</b>	<b>\$103,161</b>	<b>496</b>	<b>\$105,976</b>	<b>496</b>	<b>\$106,412</b>

# OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

## SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2020 Enacted	FY 2021 Request	Net Change
<b>Budget Authority</b>			
General Funds	\$105,976	\$106,412	+\$436
<b>Total</b>	<b>\$105,976</b>	<b>\$106,412</b>	<b>+\$436</b>
 <b>Full Time Equivalents</b>			
General Funds	496	496	0
<b>Total</b>	<b>496</b>	<b>496</b>	<b>0</b>

Explanation of Change	FY 2021 Change							
	FY 2020 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>Increases:</b>								
<b>A. Built-Ins:</b>								
To Provide For:								
Costs of pay adjustments	496	\$51,242	0	\$0	0	\$1,036	0	\$1,036
Personnel benefits	0	\$0	0	\$0	0	\$0	0	\$0
Employee health benefits	0	\$16,620	0	\$0	0	\$0	0	\$0
Moving allowance	0	\$0	0	\$0	0	\$0	0	\$0
One day less of Pay	0	\$0	0	\$0	0	\$0	0	\$0
Federal Employees' Compensation Act (FECA)	0	\$0	0	\$0	0	\$0	0	\$0
Benefits for former personnel	0	\$1	0	\$0	0	\$0	0	\$0
Travel and transportation of persons	0	\$1,500	0	\$0	0	\$0	0	\$0
Transportation of things	0	\$1	0	\$0	0	\$0	0	\$0
Rental payments to GSA	0	\$6,235	0	\$0	0	\$0	0	\$0
Rental payments to others	0	\$0	0	\$0	0	\$0	0	\$0
Communications, utilities, and miscellaneous charges	0	\$241	0	\$0	0	\$0	0	\$0
Printing and reproduction	0	\$35	0	\$0	0	\$0	0	\$0
Advisory and assistance services	0	\$200	0	\$0	0	\$0	0	\$0
Other services from non-Federal sources	0	\$4,938	0	\$0	0	\$0	0	\$0
Working Capital Fund	0	\$16,538	0	\$0	0	\$0	0	\$0
Other Federal sources (DHS Charges)	0	\$626	0	\$0	0	\$0	0	\$0
Other goods and services from Federal sources	0	\$212	0	\$0	0	\$0	0	\$0
Research & Development Contracts	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of facilities	0	\$300	0	\$0	0	\$0	0	\$0
Operation and maintenance of equipment	0	\$5,637	0	\$0	0	\$0	0	\$0
Supplies and materials	0	\$643	0	\$0	0	\$0	0	\$0

# OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

FY 2021 Change

Explanation of Change	FY 2020 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Equipment	0	\$735	0	\$0	0	\$0	0	\$0
Grants, subsidies, and contributions	0	\$0	0	\$0	0	\$0	0	\$0
Insurance claims and indemnities	0	\$30	0	\$0	0	\$0	0	\$0
<b>Built-Ins Subtotal</b>	<b>496</b>	<b>+\$105,734</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>+\$1,036</b>	<b>0</b>	<b>+\$1,036</b>
<b>B. Programs:</b>								
Data Centralization Effort	0	\$0	0	\$0	0	\$2,500	0	\$2,500
<b>Programs Subtotal</b>			<b>0</b>	<b>\$0</b>	<b>0</b>	<b>+\$2,500</b>	<b>0</b>	<b>+\$2,500</b>
<b>Total Increase</b>	<b>496</b>	<b>+\$105,734</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>+\$3,536</b>	<b>0</b>	<b>+\$3,536</b>
<b>Decreases:</b>								
<b>A. Built-Ins:</b>								
To Provide For:								
One day less of Pay	0	\$0	0	\$0	0	-\$266	0	-\$266
Federal Employees' Compensation Act (FECA)	0	\$242	0	\$0	0	-\$2	0	-\$2
<b>Built-Ins Subtotal</b>	<b>0</b>	<b>+\$242</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>-\$268</b>	<b>0</b>	<b>-\$268</b>
<b>B. Programs:</b>								
Operational Efficiencies	0	\$0	0	\$0	0	-\$2,832	0	-\$2,832
<b>Programs Subtotal</b>			<b>0</b>	<b>\$0</b>	<b>0</b>	<b>-\$2,832</b>	<b>0</b>	<b>-\$2,832</b>
<b>Total Decrease</b>	<b>0</b>	<b>+\$242</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>-\$3,100</b>	<b>0</b>	<b>-\$3,100</b>
<b>Total Change</b>	<b>496</b>	<b>+\$105,976</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>+\$436</b>	<b>0</b>	<b>+\$436</b>

## OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

<b>SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY</b> (Dollars in Thousands)								
	<b>FY 2019 Enacted</b>		<b>FY 2020 Enacted</b>		<b>FY 2021 Request</b>		<b>Diff. FY21 Request / FY20 Enacted</b>	
	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>
<b>Office of Federal Contract Compliance Programs</b>	<b>474</b>	<b>103,476</b>	<b>496</b>	<b>105,976</b>	<b>496</b>	<b>106,412</b>	<b>0</b>	<b>436</b>
General Funds	474	103,476	496	105,976	496	106,412	0	436
<b>Total</b>	<b>474</b>	<b>103,476</b>	<b>496</b>	<b>105,976</b>	<b>496</b>	<b>106,412</b>	<b>0</b>	<b>436</b>
<b>General Funds</b>	<b>474</b>	<b>103,476</b>	<b>496</b>	<b>105,976</b>	<b>496</b>	<b>106,412</b>	<b>0</b>	<b>436</b>

NOTES: 2019 reflects actual FTE. FTE for all years reflect the Shared Services Realignment.

## OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

<b>BUDGET AUTHORITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2019 Enacted</b>	<b>FY 2020 Enacted</b>	<b>FY 2021 Request</b>	<b>Diff. FY21 Request / FY20 Enacted</b>
	Full-Time Equivalent				
	Full-time Permanent	496	496	496	0
	<b>Total</b>	<b>496</b>	<b>496</b>	<b>496</b>	<b>0</b>
	Average ES Salary	\$182,218	\$190,527	\$186,767	-\$3,760
	Average GM/GS Grade	12	12	12	0
	Average GM/GS Salary	\$98,793	\$101,362	\$114,763	\$13,401
11.1	Full-time permanent	50,362	49,982	50,752	770
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	628	1,260	1,260	0
11.8	Special personal services payments	0	0	0	0
11.9	<b>Total personnel compensation</b>	<b>50,990</b>	<b>51,242</b>	<b>52,012</b>	<b>770</b>
12.1	Civilian personnel benefits	16,827	16,862	16,860	-2
13.0	Benefits for former personnel	125	1	1	0
21.0	Travel and transportation of persons	1,000	1,500	1,500	0
22.0	Transportation of things	4	1	1	0
23.1	Rental payments to GSA	6,021	6,235	6,235	0
23.2	Rental payments to others	2	0	0	0
23.3	Communications, utilities, and miscellaneous charges	300	241	241	0
24.0	Printing and reproduction	35	35	35	0
25.1	Advisory and assistance services	725	200	200	0
25.2	Other services from non-Federal sources	2,080	4,938	4,938	0
25.3	Other goods and services from Federal sources 1/	17,044	17,376	17,376	0
25.4	Operation and maintenance of facilities	157	300	300	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	7,246	5,637	5,305	-332
26.0	Supplies and materials	442	643	643	0
31.0	Equipment	468	735	735	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	10	30	30	0
	<b>Total</b>	<b>103,476</b>	<b>105,976</b>	<b>106,412</b>	<b>436</b>
	1/Other goods and services from Federal sources				
	Working Capital Fund	16,344	16,538	16,538	0
	DHS Services	700	626	626	0
	Services by Other Government Departments	0	212	212	0

NOTE: FTE for all years reflect the Shared Services Realignment.

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## AUTHORIZING STATUTES

<b>Public Law / Act</b>	<b>Legislation</b>	<b>Statute No. / US Code</b>	<b>Volume No.</b>	<b>Page No.</b>	<b>Expiration Date</b>
PUB. L. 93-112	Rehabilitation Act of 1973, as amended.	29 U.S.C. 793			N/A
PUB. L. 93-508	Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended.	38 U.S.C. 4212			N/A
PUB. L. 101-336	Americans with Disabilities Act, as amended.	42 U.S.C. 12101 et seq.			N/A

## OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

<b>APPROPRIATION HISTORY</b>					
(Dollars in Thousands)					
	<b>Budget Estimates to Congress</b>	<b>House Allowance</b>	<b>Senate Allowance</b>	<b>Appropriations</b>	<b>FTE</b>
2011					
Base Appropriation	\$113,433			\$105,386	775
2012					
Base Appropriation	\$109,010			\$105,187	755
2013					
Base Appropriation...1/	\$106,415			\$99,685	729
2014					
Base Appropriation	\$108,467			\$104,976	683
2015					
Base Appropriation	\$107,903			\$106,476	621
2016					
Base Appropriation	\$113,687	\$100,500	\$96,000	\$105,476	615
2017					
Base Appropriation	\$114,169			\$104,476	556
2018					
Base Appropriation	\$88,000	\$94,500		\$103,476	514
2019					
Base Appropriation...2/	\$91,100		\$103,476	\$103,476	500
2020					
Base Appropriation...3/ 4/	\$103,576	\$120,000		\$105,976	496
2021					
Base Appropriation...4/	\$106,412				496

1/ Reflects a 0.2 percent across the board rescission pursuant to P.L. 113-6 and the sequestration reduction pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985.

2/ This bill was passed by the Senate. It was passed out of the House Subcommittee but was not reported out of the House Committee or by the full House.

3/ This bill was passed by the House. It was not taken up by the Senate Appropriations Subcommittee or full Appropriations Committee.

4/ FTE for FY 2020 and FY 2021 reflect the Shared Services Realignment.

# OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

## OVERVIEW

### Introduction

The Department of Labor’s (DOL) Office of Federal Contract Compliance Programs (OFCCP) examines the employment practices of federal contractors and subcontractors to determine whether they comply with the non-discrimination requirement and provide equal employment opportunity through affirmative action under three legal authorities.<sup>1</sup> OFCCP’s mission aligns with DOL’s Strategic Goal 2 of “Promote Safe Jobs and Fair Workplaces for All Americans.” More specifically, OFCCP’s work in FY 2021 contributes to Strategic Objective 2.5 of “Promote fair and diverse workplaces for America’s federal contractor employees.”

OFCCP administers and enforces three equal employment opportunity laws: Executive Order 11246, as amended (Executive Order); Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 793 (Section 503); and the Vietnam Era Veterans’ Readjustment Assistance Act of 1974, as amended, 38 U.S.C. 4212 (VEVRAA).<sup>2</sup> Collectively, these laws make it illegal for contractors and subcontractors doing business with the federal government to discriminate in employment because of race, color, religion, sex, sexual orientation, gender identity, national origin, disability, or status as a protected veteran. In addition, contractors and subcontractors are prohibited from discriminating against applicants or employees because they inquire about, discuss, or disclose their compensation or that of others, subject to certain limitations.

In FY 2008, at an FTE level of 576, OFCCP conducted 4,333 compliance evaluations following the Active Case Management (ACM) procedures, which focused enforcement efforts on cases with indicators of systemic discrimination under the Executive Order, through abbreviated and generally shorter desk audits. In FY 2016, at an FTE level of 564, OFCCP conducted 1,696 compliance evaluations following the Active Case Enforcement (ACE) approach, which established procedures to replace abbreviated desk audits with full desk audits. In FY 2018, the ACE approach continued to impact the agency’s performance. In that fiscal year, the OFCCP FTE level was 511 and the staff conducted 812 compliance evaluations. In FY 2019, OFCCP replaced the ACE approach with new procedures emphasizing that compliance reviews will be governed by OFCCP’s Federal Contract Compliance Manual (FCCM) and other directives and initiatives that shorten full desk audits and conciliate violations more efficiently. In this new approach, OFCCP embedded the most effective parts of ACE and ACM into its standard operating policies and procedures, completing 1,343 compliance evaluations. As a result, in FY 2020, OFCCP is on target to complete 1,500 compliance evaluations. The FY 2021 request will enable OFCCP to build upon work initiated in FY 2019 and FY 2020 and expand its reach to

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<sup>1</sup> Executive Order 11246, Sept. 24, 1965, 30 FR 12319, 12935, 3 CFR, 1964-1965, Comp., p. 339, as amended; Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 793, (Section 503); and the Vietnam Era Veterans’ Readjustment Assistance Act of 1974, as amended, 38 U.S.C. 4212.

<sup>2</sup> Executive Order 11246, Sept. 24, 1965, 30 FR 12319, 12935, 3 CFR, 1964-1965, Comp., p. 339, as amended; Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 793, (Section 503); and the Vietnam Era Veterans’ Readjustment Assistance Act of 1974, as amended, 38 U.S.C. 4212.

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more federal contractors and subcontractors by substantially increasing the number of compliance reviews it conducts annually to 3,000.

OFCCP remains committed to conducting quality compliance evaluations across all regions. The agency monitors the quality of its evaluations and investigation activities through audits of randomly selected closed cases. These audits have significantly improved the quality of compliance evaluations over the last several years. Timely and meaningful feedback from quality audits significantly reduce repeat mistakes. OFCCP will continue to monitor case quality in FY 2021 to meet the goal of conducting more quality compliance reviews.

Guided by the four principles of transparency, certainty, efficiency, and recognition, in FY 2021, OFCCP will utilize a comprehensive strategy to support and promote compliance across the entire contractor community by:

- Emphasizing systemic and high-impact compliance evaluations that focus on likely violators and reaches the broadest number of workers;
- Implementing rules in support of the Administration's Unified Agenda of Regulatory and Deregulatory Actions and the Regulatory Plan;
- Protecting workers by institutionalizing a virtual training program for federal contractors and bolstering its help desk and online assistance portal to deliver quality compliance assistance that aids contractors in meeting their legal requirements and preventing violations before they occur; and
- Promoting diversity in innovative ways, including recognition and incentive programs that highlight high-performing contractors that model best practices, encourage contractor compliance, and support OFCCP's policy of promoting corporate-wide commitments to equal employment opportunity policies and practices.

The funding request will also enable OFCCP to support and contribute to the following goals associated with the President's Management Agenda (PMA) and IT Modernization Plan:

- People: Workforce for the 21<sup>st</sup> Century – Emphasizing efficiency, productivity, and accountability throughout the organization.
- Data, Accountability, and Transparency – Leveraging data from OFCCP's modernized IT systems to improve the focus of OFCCP's compliance and enforcement activities.
- Improving the Customer Experience – Transforming contractor education and compliance assistance through modernized and streamlined IT processes.
- Efficient Human Capital Processes – Providing continuous learning support for building a strategic workforce.
- Strengthening Budget and Finances – Establishing internal financial controls in areas where OFCCP has identified potential risks and continuing to work with the Office of the Chief Financial Officer and OASAM's Departmental Budget Center to monitor agency obligations, maximize agency performance, and implement best practices.

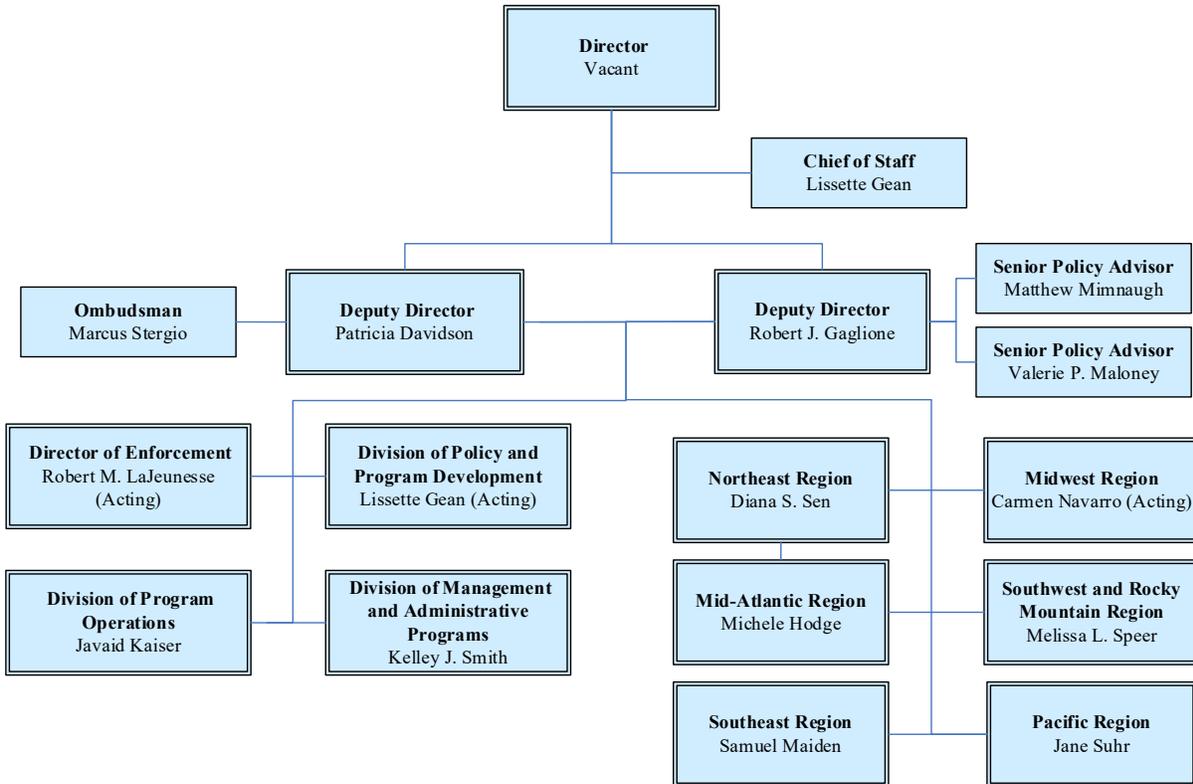
## **OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS**

- Work Across Silos – Collaborating with other DOL and federal agencies to advance OFCCP’s mission and priorities.

# OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

## Federal Contractor and Equal Employment Opportunity Standards Enforcement Staffing Chart

The OFCCP is comprised of a national office headquartered in Washington, D.C. with three divisions and six regional offices with district and area offices distributed nationwide. The regional offices are located in Atlanta, Georgia (Southeast); Chicago, Illinois (Midwest); Dallas, Texas (Southwest and Rocky Mountain); New York City, New York (Northeast); Philadelphia, Pennsylvania (Mid-Atlantic); and San Francisco, California (Pacific).



# OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>FY 2019 Enacted</b>	<b>FY 2020 Enacted</b>	<b>FY 2021 Request</b>	<b>Diff. FY21 Request / FY20 Enacted</b>
<b>Activity Appropriation</b>	<b>103,476</b>	<b>105,976</b>	<b>106,412</b>	<b>436</b>
FTE	474	496	496	0

NOTE: FTE for all years reflect the Shared Services Realignment.

NOTE: FY 2019 reflects actual FTE. Authorized FTE for FY 2019 was 500.

## **Introduction**

OFCCP’s FY 2021 priorities support the agency’s efforts to enforce the law, protect workers, and promote diversity in contractor workplaces that fall under OFCCP’s jurisdiction. OFCCP has jurisdiction over approximately 120,000 contractor establishments and 25,000 firms or parent companies. These estimates do not include the number of subcontractors that fall under OFCCP’s jurisdiction, as this universe is unknown. The large size of the contractor and subcontractor population makes it cost-prohibitive for OFCCP to evaluate the entire regulated community. Therefore, OFCCP can evaluate only a portion of these establishments annually, which poses a risk to the agency.<sup>3</sup>

If OFCCP cannot effectively monitor contractor non-discrimination compliance, then the Department may not meet *Strategic Objective 2.5 – Promote fair and diverse workplaces for America’s federal contractor employees*. To address this risk, in FY 2021, OFCCP will expand its reach of federal contractors and subcontractors by significantly increasing the number of compliance reviews it conducts annually. OFCCP will also implement a comprehensive strategy to promote compliance across the entire contractor community that includes compliance assistance efforts, compliance verification, and compliance incentives. This strategy enables OFCCP to provide clearer compliance assistance and guidance to contractors to help them understand their responsibilities, thereby addressing the risk of increased noncompliance by covered contractors who may not be aware of their legal obligations.

In FY 2021, OFCCP will enforce its applicable laws (Executive Order, Section 503, and VEVRAA) in the following ways:

- Utilizing innovative enforcement tools that have the most broad-based impact on American workers, by ensuring federal contractors are meeting the most basic equal employment opportunity regulatory requirements and allowing OFCCP to focus compliance evaluations on areas perceived to have more violations.
- Promoting an enterprise-wide approach that allows for early and efficient resolution of violations through enterprise-wide conciliation agreements, benefiting more workers sooner and allowing high-performing contractors to work toward the mutual goal of sustained, enterprise-wide (corporate-wide) compliance.

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<sup>3</sup> OFCCP reviews one to three percent of federal contractor establishments annually.

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- Protecting workers by delivering quality compliance assistance that aids contractors in meeting their legal requirements and preventing violations before they occur.

To achieve these goals, OFCCP follows four principles that support a broad compliance strategy and promote compliance across the entire contractor community: (1) *certainty* through clear guidance and ensuring that contractors know how to comply; (2) *efficiency* in compliance evaluations and improvements in information technology and other systems; (3) *recognition* of contractors with innovative and successful equal employment opportunity programs who can serve as mentors to their peers; and (4) *transparency* in mission, policies, and practices. In FY 2021, OFCCP will continue to build upon numerous strategies and initiatives implemented in FY 2019 and FY 2020 to improve the efficiency of its enforcement and compliance activities, while reaching the broadest number of workers.

### Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2016	\$105,476	615
2017	\$104,476	556
2018	\$103,476	514
2019	\$103,476	500
2020	\$105,976	496

### FY 2021

The FY 2021 OFCCP funding request is \$106,412,000 and 496 FTE. OFCCP is requesting \$2,500,000 and 0 FTE to support its Data Centralization Effort, which will use a multifaceted approach to address agency modernization needs from an enterprise perspective. OFCCP will collaborate with the Department's Office of the Chief Information Officer (OCIO) to migrate OFCCP's IT databases to the Department of Labor's IT Platform, or Data Analytics Capability (DAC), which has been designed to be a centralized Departmental IT repository to facilitate efficiencies in reporting, monitoring, accessing, securing, and storing data within the Department, and across DOL agencies. Centralization of this data in the cloud will enhance OFCCP's ability to manage and report on its program data, connect to its customer base, and more effectively collaborate on cross-agency projects. OFCCP is also requesting a program decrease of \$2,832,000 for Operational Efficiencies which will offset the gains made by the Data Centralization Effort described above by reducing system operation and maintenance costs, virtually eliminating paper processes, and allowing more operational time to connect with our federal contracting community through education and compliance activities.

The FY 2021 funding level will enable OFCCP to significantly increase the number of compliance reviews it conducts annually to 3,000, by building upon work initiated in FY 2019 and FY 2020 to expand its reach of federal contractors and subcontractors. This funding level also provides OFCCP with the resources necessary to support the Department's Enterprise Shared Services Initiative, which creates an administrative service delivery model that is streamlined, consistent,

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and efficient. In addition, the requested funds will enable OFCCP to fully institutionalize IT modernization systems built to foster contractor compliance through education and certification.

OFCCP is committed to fulfilling its mission with more transparency, certainty, efficiency, and recognition of high performing federal contractors. With careful stewardship of taxpayer dollars, in FY 2021, OFCCP will use innovative approaches to increase contractor compliance, reach more establishments, and remedy violations more quickly for the benefit of employees, applicants, and contractors. By realizing operational efficiencies, OFCCP will continue to expand its capacity to provide focused compliance assistance to stakeholders that will recognize high performing federal contractors. In addition, the agency will continue programmatic outreach to encourage contractor compliance with their contractual obligations and promoting fair workplaces for more of America's federal contractor employees.

### Shared Services

In FY 2021, the Department is committed to implementing the President's Management Agenda (PMA) and an Enterprise Shared Services delivery model for administrative functions. The purpose of the Enterprise Shared Services initiative is to create an administrative services delivery model that is streamlined, consistent, and efficient. Instead of directly funding information technology, the Department's current plan is that OFCCP will use a shared services provider through the proposed IT Working Capital Fund (IT WCF). Under this plan, 4 FTE will be realigned from OFCCP to the IT WCF as part of the implementation of this model. The FY 2021 President's Budget reflects this FTE realignment and the corresponding realignment of personnel compensation and benefits. The Budget does not include any related changes to non-personnel funding. The Department continues to develop and implement plans for Enterprise Shared Services. All FTE and funding estimates related to the Enterprise Shared Services initiative are preliminary and will be validated before final implementation.

### Comprehensive Contractor Compliance

Building on OFCCP's comprehensive compliance initiative launched in FY 2018 and implemented in FY 2019 and FY 2020, OFCCP will continue to ensure compliance with equal employment opportunity and anti-discrimination regulations in FY 2021 and will safeguard all protected groups without increasing contractor burden. In addition to its neutrally scheduled full compliance reviews, OFCCP will continue to conduct more narrowly tailored focused reviews of each of OFCCP legal authorities (Executive Order, Section 503 and VEVRAA) as well as compliance checks in FY 2021, to ensure contractors are complying with the written Affirmative Action Program (AAP) and record keeping requirements. OFCCP will issue a report after the conclusion of each focused review, outlining its findings, and highlighting best practices. The agency will also update its Focused Review landing page with best practices and resources to help contractors meet their equal employment opportunity obligations. In FY 2021, OFCCP will conduct focused reviews on promotion and accommodations in the workplace. Focused reviews and compliance checks take less time than a full compliance review, which allows OFCCP to reach more contractors without an increase in burden. These compliance evaluations require more FTE to conduct the onsite reviews.

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In FY 2021, OFCCP will continue to maximize the use of its resources by focusing on quality, high-impact, systemic compliance evaluations<sup>4</sup> that help the most workers, contain the potential to transform industry employment practices, and address the labor market's most egregious systemic discrimination problems. In FY 2019, OFCCP completed 1,343, or 65 percent more compliance evaluations than in FY 2018. These evaluations resulted in \$40.6 million in monetary remedies for applicants and employees subject to systemic employment discrimination in hiring, compensation, and other employment practices. This was the highest year on record in OFCCP history. OFCCP continued these efforts in FY 2020, completing 1,500 compliance evaluations. The agency is on target to complete 3,000 compliance evaluations in FY 2021. In addition, for the first time in OFCCP history, the construction scheduling list will be embedded with the supply & service scheduling list to provide greater neutrality in selection and scheduling of compliance evaluations.

In FY 2021, OFCCP will continue to leverage its Early Resolution Procedures (ERP)<sup>5</sup> to allow contractors with multiple establishments to cooperatively develop corporate-wide compliance with OFCCP's requirements, reducing the length of compliance evaluations through early and efficient resolutions. The efficiency of this program has increased OFCCP's capacity to conduct more compliance evaluations. ERP also allows OFCCP to conclude its investigative process quickly. As an alternative approach to dispute resolution, ERP improves OFCCP's efficiency by preventing cases from becoming aged. In FY 2021, OFCCP established an aged case goal to not exceed 10% of all open cases.

### *Systemic Pay Discrimination*

In FY 2021, OFCCP will continue its multi-year effort to identify and resolve systemic compensation discrimination in violation of Executive Order 11246, where agency evaluations can have the greatest impact. Systemic cases provide remedies and allow for corrective policies and practices that benefit larger numbers of workers. Policy initiatives, contractor and staff training, and operational changes made in previous fiscal years will continue to reap benefits in FY 2021. In FY 2019 and FY 2020, OFCCP engaged in extensive training of compliance officers, equipped them with the tools to better investigate systemic pay discrimination and built a robust program of technical assistance to educate staff in developing these cases. In FY 2019, OFCCP completed 1,343, or 65 percent more compliance evaluations than in FY 2018, and recovered record amounts of the back pay and salary adjustments for victims of employment discrimination. In FY 2020, OFCCP touched even more contractors through compliance evaluations and technical assistance than in previous years.

### Improved Compliance Assistance, Contractor Training and Education

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<sup>4</sup> OFCCP's definition of systemic discrimination satisfies one of two criteria: (a) the case addresses a measurable pattern of discrimination (either based on findings from a regression analysis or based on any other aggregate statistical measure such as mean differences) or (b) the case addresses an identified practice applicable to multiple employees that results in pay discrimination (such as a practice of steering employees who are members of a protected class toward lower paying jobs at hire). There is no specific numeric threshold used to define a systemic case.

<sup>5</sup> [Directive 2019-02 – Early Resolution Procedures, November 30, 2018](#)

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OFCCP recognizes that the large size of the contractor population makes it cost-prohibitive for OFCCP to evaluate the entire regulated community. To leverage its resources, and encourage compliance by all federal contractors and subcontractors, OFCCP will continue to place greater emphasis on supporting contractor compliance efforts through education programs and quality compliance assistance materials.

In addition, in FY 2021, OFCCP will build upon the progress made during the past three fiscal years to complete reforms to its training and education program. The reforms address quality concerns raised in the 2016 Government Accountability Office (GAO) report (GAO-16-750) calling for several improvements in how the agency provides compliance assistance, including compliance officer and contractor training and education.

### *Continued Stakeholder Engagement*

In FY 2021, OFCCP will continue hosting Town Hall events across the country to gain valuable important feedback from both contractor and employee advocate organizations that help inform OFCCP's actions to enhance compliance assistance. To stretch OFCCP's reach in FY 2021, Town Halls will focus on additional areas of industry and the community. The agency anticipates releasing additional compliance assistance materials in alignment with the agency's FY 2019 and FY 2020 Town Hall Action Plans.

In FY 2021, in support of a White House initiative, OFCCP will continue to conduct significant outreach to Historically Black Colleges and Universities (HBCUs) and Hispanic Association of Colleges and Universities (HACUs) throughout the country. The 107 HBCUs and 304 HACUs throughout the United States are tremendous sources of potential job applicants for federal contractors and it is important that federal contractors are fully engaging with HBCUs and HACUs.

In FY 2021, OFCCP will continue expanding its Indian and Native American Employment Rights Program (INAERP), which is committed to fostering opportunities for employment with federal contractors and subcontractors and enforcing the worker protection rights of Indian and Native American job seekers and wage earners. Building off efforts in FY 2019 and FY 2020, in addition to expanding relationships with stakeholders, OFCCP will explore ways to increase contractor participation in INAERP, such as an incentive program, and consider mechanisms to monitor and track outcomes.

### *Improved Contractor Compliance Assistance Materials*

In FY 2021, OFCCP will continue to publish new and improved compliance assistance materials that meet the needs of the contractor community. For example, OFCCP will continue updating resources on its website dedicated to Section 503 and VEVRAA focused reviews. These pages include numerous resources such as information on focused reviews and frequently asked questions, best practices, and community resources. By recognizing best practices among federal contractors, OFCCP will not only be an evaluator, but a partner of the contractor community with the mutual goals of preventing discrimination and promoting diversity. These

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programs will provide an incentive for contractors to improve practices while encouraging goodwill between OFCCP and the Federal contractor community.

### *Contractor Recognition Programs*

In FY 2021, OFCCP will work with the winners of the Excellence in Disability Inclusion (EDI) Award and the Leadership in Equal Access and Diversity (LEAD) Award to identify best practices to be used by other contractors and develop compliance assistance materials. In FY 2021, OFCCP will accept applications for the second cycle of the EDI Award as it is a biennial program. OFCCP accepted applications for the first cycle of the program in FY 2019. In FY 2021, OFCCP will also explore options to create new contractor recognition programs. Such programs may include awards for Functional Affirmative Action Program (FAAP) participants, corporate-wide awards, and awards for construction contractors.

In FY 2021, OFCCP will fully implement its Voluntary Enterprise-wide Review Program (VERP)<sup>6</sup>. VERP enables the agency to blend its compliance evaluation and compliance assistance activities to work with high-performing contractors toward the mutual goal of sustained, enterprise-wide (corporate-wide) compliance, outside of OFCCP's neutral establishment-based scheduling process. Specifically, VERP allows contractors the option to undergo a voluntary corporate-wide compliance evaluation outside of the traditional scheduling process. Upon successful completion of the evaluation, as well as meeting other program requirements, OFCCP will exempt the corporation from scheduling for compliance evaluations for a fixed term. The program will provide meaningful cost-saving compliance incentives to federal contractor participants, and will recognize contractors that excel in their corporate-wide compliance with OFCCP's requirements. By closely following the GAO recommendations and removing the high performers from the scheduling pool, and investing its limited resources on likely violators, OFCCP anticipates more program efficiency, increased findings of violations, and remedies for more workers impacted by discrimination. In FY 2021, OFCCP will continue to encourage high-performing contractors to participate in VERP.

### *Enhanced 1-800 Help Desk Operations*

In FY 2021, OFCCP will continue to closely monitor the effectiveness of its Help Desk service and find ways to improve it for stakeholders. In FY 2019 and FY 2020, OFCCP improved the compliance assistance provided to all stakeholders by routing all Help Desk requests to OFCCP's National Office. By routing all inquiries to the National Office, OFCCP improved response times to the public and allowed the agency to gather and document incoming questions and responses. The collection of questions and answers better enabled OFCCP to develop more frequently asked questions for its website. This centralized approach created more uniform and consistent responses for contractors and workers and created a reliable source of data for OFCCP. In FY 2021, OFCCP will seek to enhance its Help Desk by making certain Help Desk inquiries and responses dynamically available and searchable as a self-service option on OFCCP's website.<sup>7</sup>

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<sup>6</sup> [Directive 2019-04, Voluntary Enterprise-wide Review Program \(VERP\), February 13, 2019](#)

<sup>7</sup> [Directive 2019-03, Opinion Letters and Help Desk, November 30, 2018](#)

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## *Opinion Letters*

In FY 2019, OFCCP issued a Directive that, in part, expresses the agency's commitment to providing additional compliance assistance and guidance to contractors.<sup>8</sup> OFCCP committed to issuing opinion letters that provide fact-specific guidance on the application of OFCCP's regulations. In FY 2021, OFCCP will continue to accept requests for opinion letters from employers and employees.

## *Online Contractor Assistance Portal*

In FY 2021, OFCCP will continue to engage contractors through its Online Contractor Assistance Portal. Implemented in FY 2019, the Portal (formerly, contractor community of practice) allows contractors to come together to learn and share information and responses to common questions. Contractors can ask questions, search through OFCCP's library of frequently asked questions, keep up to date with upcoming OFCCP events, and access helpful reference and compliance assistance materials.

## Increasing Transparency and Consistency through OFCCP Regulations

In FY 2021, OFCCP will continue to adopt sensible regulations that decrease contractor burden and increase effectiveness and to that end, may propose additional regulatory changes. In FY 2021, OFCCP will continue to promulgate sensible regulations that decrease contractor burden and increase effectiveness.

Also in FY 2021, OFCCP will implement the final rule, "Nondiscrimination Obligations of Federal Contractors and Subcontractors: Procedures to Resolve Potential Employment Discrimination," to codify existing procedures that OFCCP uses to resolve potential employment discrimination. This rule will increase clarity and ensure certainty for OFCCP's stakeholders, and enhance the agency's efficiency in remedying employment discrimination.

## **FY 2020**

The FY 2020 enacted funding level is \$105,976,000 and 496 FTE. This funding level provided OFCCP with the resources necessary to build upon work initiated in FY 2018 and FY 2019 to ensure comprehensive contractor compliance with OFCCP requirements; provide innovative compliance assistance to contractors; invest in staff development and performance accountability; and improve agency data quality, efficiency and effectiveness through the deployment of various information technology modernization initiatives.

In FY 2020, OFCCP fully implemented its Ombud Service by publishing a protocol outlining the ombud procedures. The Ombud Service brings an impartial and independent perspective to facilitate communication with external stakeholders on OFCCP matters, in collaboration with OFCCP regional and district offices, and ultimately improves the efficiency and effectiveness of internal OFCCP operations. Also in FY 2020, OFCCP continued to prioritize IT modernization initiatives to improve organizational efficiency and effectiveness and increase transparency and

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<sup>8</sup> [Directive 2019-03, Opinion Letters and Help Desk, November 30, 2018](#)

## OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

certainty in its compliance assistance and contractor training. OFCCP continued to deploy enhancements to its new cloud-based compliance management system (CMS), which increases organizational efficiencies and effectiveness.

### *Focused Reviews*

In FY 2020, OFCCP continued to prioritize its focused review initiative. In FY 2018, the agency issued Directive 2018-04<sup>9</sup>, directing a portion of the future scheduling lists include focused reviews as to each of the three authorities that the OFCCP enforces – Executive Order 11246, Section 503, and VEVRAA. The agency began this initiative in FY 2019, by scheduling 500 Section 503 focused reviews at federal contractor corporate headquarters. In FY 2020, OFCCP issued its first VEVRAA Focused Review supplemental scheduling list, in honor of Veterans’ Day, and held a series of VEVRAA focused events. OFCCP VEVRAA focused reviews focused on protected veterans, spouses of protected veterans, and protected veterans with disabilities. OFCCP created a Focused Review landing page, which highlight best practices, stakeholder resources, FAQs, and other guidance to assist federal contractors with meeting their EEO obligations. In addition, in FY 2020, OFCCP used the same framework to roll out the Executive Order 11246 focused reviews, which primarily focused on promotions for women to executive level positions within the workplace.

### *Construction Compliance Assistance and Evaluations*

In FY 2020, OFCCP deployed the Notification Construction Award Portal (NCAP), allowing federal procurement officers, States, and construction contractors and subcontractors to electronically notify OFCCP of constructions awards valued at \$10,000 or more. This IT modernization effort centralized the notification process in the national office, increasing field efficiencies by relieving staff from having to manage contract award notifications. OFCCP also initiated a research project to explore ways to combine federal construction awards data from all sources into a single pool to compile a neutral construction scheduling list to satisfy Fourth Amendment standards.

### Quality Contractor Compliance Assistance and Stakeholder Engagement

Using existing Memoranda of Understanding and obtaining feedback through various stakeholder meetings, OFCCP refined its existing compliance assistance materials in FY 2020. The refinements included updating content, as well as identifying and developing new aids to deliver practical and useful information to support contractors and workers understanding their responsibilities and rights. In FY 2020, OFCCP published its Educational Institutions Technical Assistance Guide, Construction Technical Assistance Guide, Supply and Service Technical Assistance Guide, as well as the Federal Contract Compliance Manual (FCCM).

### *Contractor Online Training Program*

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<sup>9</sup> [Directive 2018-04, Focused Reviews of Contractor Compliance with Executive Order 11246 \(E.O.\) as amended; Section 503 of the Rehabilitation Act of 1973 \(Section 503\), as amended; and Vietnam Era Veterans’ Readjustment Assistance Act of 1974 \(VEVRAA\), as amended, August 10, 2018.](#)

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In addition, OFCCP launched the electronic Learning Management System (eLMS) for federal contractors. With this system, contractors can take virtual courses to learn about their federal contracting obligations. The courses are free to the public and further inform federal contractors about their federal obligations. In FY 2020, through its eLMS, OFCCP offered rigorous training and education to contractors. The training topics included: developing affirmative action programs, effectively implementing outreach and recruitment activities, and conducting self-audits. OFCCP offered a temporary exemption from scheduling<sup>10</sup> for contractors that successfully completed the training and passed the final assessment. This training program incentivizes contractor learning and supports proactive contractor compliance with their OFCCP requirements. Based on existing agency resources, this program could benefit between 1,500 to 3,000 contractors annually.

### *Expanded Stakeholder Engagement*

In FY 2020, OFCCP continued its stakeholder engagement efforts. Specifically, OFCCP hosted public Town Hall events that fostered dialogue with the contractor community about OFCCP initiatives, including corporate-wide resolution and focused reviews. Similar to the previous fiscal year, OFCCP developed a Town Hall Action Plan based on feedback received from the meetings.

In FY 2020, in support of a White House initiative, OFCCP conducted significant outreach to Historically Black Colleges and Universities (HBCUs) and Hispanic Association of Colleges and Universities (HACUs). The 107 HBCUs and 304 HACUs throughout the United States are tremendous sources of potential job applicants for federal contractors and it is important that federal contractors are fully engaging with HBCUs. Specifically, in FY 2020, OFCCP's efforts included: (i) creating a regional plan of action; (ii) setting time frames to reach out to all HBCUs and HACUs in the regions; (iii) coordinating with other federal agencies to participate in these efforts, and (iv) creating and holding webinars for the regions and other agencies regarding the HBCU/HACU initiative.

In FY 2020, OFCCP expanded its Indian and Native American Employment Rights Program (INAERP), which is committed to fostering opportunities for employment with federal contractors and subcontractors and enforcing the worker protection rights of Indian and Native American job seekers and wage earners. Building off OFCCP's FY 2019 Native American Town Hall event, OFCCP participated in several events focusing on enhancing INAERP and promoting contractors' ability to extend a hiring preference to Indians on or near Indian reservations for work at those locations. In addition, OFCCP expanded relationships with the Equal Employment Opportunity Commission (EEOC), Small Business Administration, Department of Justice, Bureau of Indian Affairs, and the Federal Highway Administration, and developed partnerships among community-based organizations, tribal communities, and contractors.

### *Contractor Recognition Programs*

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<sup>10</sup> Exemption was limited to a specific establishment.

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In FY 2020, OFCCP awarded the first recipients of the Excellence in Disability Inclusion (EDI) Award. This award, created in conjunction with DOL's Office of Disability Employment Policy (ODEP), recognizes exemplary federal contractor establishments for their commitment to disability inclusion. In addition, OFCCP accepted and reviewed nominations for the Leadership in Equal Access and Diversity (LEAD) Award. This award was created in conjunction with DOL's Women's Bureau, and recognizes federal contractor establishments that go above and beyond in their non-discrimination and affirmative action practices under all laws enforced by OFCCP.

### Regulatory Reform

In FY 2020, OFCCP published two proposed rules. The first, titled "Affirmative Action and Nondiscrimination Obligations of Federal Contractors and Subcontractors: TRICARE and Certain Other Health Care Providers," proposes to amend regulations pertaining to OFCCP's authority over TRICARE health care providers. The rule intends to increase access to care for uniformed service members and veterans and to provide certainty for health care providers who serve as beneficiaries of TRICARE and potentially result in cost savings to the health care system. In a reconsideration of OFCCP's previous legal position, the proposed rule would provide that the agency lacks authority over Federal health care providers who participate in TRICARE. The proposed rule would, as an alternative, establish a national interest exemption from the laws enforced by OFCCP for health care providers with agreements to furnish medical services and supplies to individuals participating in TRICARE. OFCCP would have authority over health care providers participating in TRICARE if they hold a separate covered Federal contract or subcontract. Likewise, health care providers would remain subject to all other Federal, state, and local laws prohibiting discrimination and providing for equal employment opportunity.

The second proposed rule in FY 2020, titled "Nondiscrimination Obligations of Federal Contractors and Subcontractors: Procedures to Resolve Potential Employment Discrimination," proposes to codify procedures that the agency uses to resolve potential discrimination and other material violations, by contractors, of the laws OFCCP enforces. As proposed, the rule would add clarifying definitions to specify the types of evidence OFCCP would use to support its discrimination findings, and correct the title of OFCCP's agency head.

### FY 2019

The FY 2019 enacted funding level was \$103,476,000 and 500 FTE. In FY 2019, OFCCP had a record year for monetary settlements, executing several Early Resolution Conciliation Agreements (ERCAs) that set major precedence in key industries. These early resolutions brought remedies to workers promptly and ensured long lasting prospective relief. OFCCP also improved its organizational efficiency and effectiveness through implementation of its new cloud-based compliance management system (CMS), which captures the entire business process of conducting compliance evaluations and complaint investigations. In addition, in FY 2019, OFCCP made great strides to advance employment opportunities for people with disabilities through focused reviews, contractor recognition programs, sharing of best practices, and stakeholder engagement.

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Additional highlights of FY 2019 outcomes are listed below.

- Completed 1,343 compliance evaluations covering about 1.3 million employees. The number of compliance evaluations were 65 percent more than in FY 2018, yielded \$40.6 million in back pay for 45,726 victims of discrimination and negotiated 2,511 job opportunities. This is OFCCP's highest year on record.
- Received 1,475 complaints, including a 68 percent more disability complaints than in FY 2017.
- Reduced the median supply and service case processing time with discrimination findings from 1,513 days to 1,356 days, and for cases without discrimination findings from 306 to 181 days.
- Published a scheduling list that included three industries that had the highest rate of violations in the last five years. This addressed a GAO recommendation (GAO-16-750) to include high risk federal contractors in the scheduling process.
- Scheduled 500 Section 503 Focused Reviews to verify contractor compliance with affirmative action and nondiscrimination requirements under Section 503.
- Implemented focused reviews and compliance checks as two investigative methods to increase the number of compliance evaluations without increasing contractor burden. Through focused reviews, OFCCP promoted greater compliance with anti-discrimination and affirmative action requirements under all three OFCCP legal authorities. Through compliance checks, OFCCP verified that contractors were complying with their affirmative action programs (AAP) and recordkeeping requirements, which are the cornerstone of proactive contractor compliance, and provided customized compliance assistance, as necessary.
- Published a proposed rulemaking, entitled "Implementing Legal Requirements Regarding the Equal Opportunity Clause's Religious Exemption." OFCCP proposed this rule to clarify the scope and application of the religious exemption contained in section 204(c) of Executive Order 11246, as amended.
- Implemented the OFCCP Ombud Service to facilitate the fair and equitable resolution of specific types of concerns raised by OFCCP external stakeholders in coordination with regional and district offices.

OFCCP also conducted significant contractor compliance assistance through increased agency transparency. In FY 2019, OFCCP:

- Held 580 events across the country to engage with contractors and other stakeholders; an increase of 68% from 346 events held in FY 2018.

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- Conducted six Town Halls, engaging representatives from the legal, the Indian and Native American, the women's, the faith-based, the academic, the veterans', and the technology communities.
- Developed two contractor recognition programs: The Excellence in Disability Inclusion (EDI) Award and The Leadership in Equal Access and Diversity (LEAD) Award.
- Published approximately a dozen Frequently Asked Questions on OFCCP's website.
- Developed robust compliance assistance content on its website, including webpages dedicated to Section 503 and VEVRAA focused reviews that highlighted resources such as information on focused reviews and frequently asked questions, best practices, and community resources.
- Centralized its Help Desk to OFCCP's National Office, creating more uniformity and consistency in OFCCP responses.
- Issued three opinion letters as part of a new initiative to provide fact-specific information to questions submitted by employers or employees related to the application of OFCCP's regulations. The three opinion letters issued in FY 2019 covered the topics of OFCCP's Jurisdiction Related to Pell Grants, Pay Analysis Groupings, and Federal Communications Commission's Universal Service Fund.
- Implemented an online contractor assistance portal, where contractors can come together to learn and share information and receive responses to common questions.
- Obtained third-party accreditation for OFCCP's contractor and compliance officer training programs from the International Association for Continuing Education and Training (IACET), helping to improve the quality of training provided to staff as it ensures that the training is developed following a structured process and consistently implemented and evaluated for continuous improvement.

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<b>WORKLOAD AND PERFORMANCE SUMMARY</b>				
	<b>FY 2019 Enacted</b>		<b>FY 2020 Enacted</b>	<b>FY 2021 Request</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Office of Federal Contract Compliance Programs</b>				
<b>Strategic Goal 2 - Promote Safe Jobs and Fair Workplaces for All Americans</b>				
<b>Strategic Objective OFCCP 2.5 - Promote fair and diverse workplaces for America's federal contractor employees.</b>				
OFCCP-02	Number of Construction Evaluations Completed		300	300
OFCCP-08b	Percent of Compliance Evaluations Closed with Discrimination Findings		3%	3%

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

# OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

## Workload Summary

OFCCP has been measuring workload performance as a percent of systemic discrimination cases. Since most of OFCCP's work is about uncovering systemic discrimination, this measure was always high and did not fully explain the true performance. Therefore, OFCCP changed this measure to "Percent of Compliance Evaluations Closed with Discrimination Findings" in FY 2020. OFCCP also changed the construction performance measure from compliance evaluations conducted on mega construction projects alone to all construction compliance evaluations completed. These two measures will accurately reflect agency's performance in FY 2020.

OFCCP implemented Early Resolution Procedure in FY 2019 which allows contractors with multiple establishments to cooperatively develop corporate-wide compliance with OFCCP regulations, reduce length of compliance reviews, and increase OFCCP's capacity to conduct more compliance evaluations. As a result, FY 2019 was the most successful year in recorded history. OFCCP entered into 192 Conciliation Agreements and Consent Degrees to resolve discrimination violations, a 14% increase from FY 2018. The agency recovered \$40.6 million in back pay for 45,726 workers. OFCCP also improved the compliance evaluation process in FY 2019 by reducing the median days to process supply and service cases with discrimination findings from 1,513 days in FY 2018 to 1,356 days in FY 2019. Similarly, OFCCP reduced the median days to process supply and service cases without discrimination findings from 306 days in FY 2018 to 181 days in FY 2019. OFCCP obtained this improvement without jeopardizing the quality of its compliance evaluations.

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<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2019 Enacted</b>	<b>FY 2020 Enacted</b>	<b>FY 2021 Request</b>	<b>Diff. FY21 Request / FY20 Enacted</b>
11.1	Full-time permanent	50,362	49,982	50,752	770
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	628	1,260	1,260	0
11.8	Special personal services payments	0	0	0	0
<b>11.9</b>	<b>Total personnel compensation</b>	<b>50,990</b>	<b>51,242</b>	<b>52,012</b>	<b>770</b>
12.1	Civilian personnel benefits	16,827	16,862	16,860	-2
13.0	Benefits for former personnel	125	1	1	0
21.0	Travel and transportation of persons	1,000	1,500	1,500	0
22.0	Transportation of things	4	1	1	0
23.1	Rental payments to GSA	6,021	6,235	6,235	0
23.2	Rental payments to others	2	0	0	0
23.3	Communications, utilities, and miscellaneous charges	300	241	241	0
24.0	Printing and reproduction	35	35	35	0
25.1	Advisory and assistance services	725	200	200	0
25.2	Other services from non-Federal sources	2,080	4,938	4,938	0
25.3	Other goods and services from Federal sources 1/	17,044	17,376	17,376	0
25.4	Operation and maintenance of facilities	157	300	300	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	7,246	5,637	5,305	-332
26.0	Supplies and materials	442	643	643	0
31.0	Equipment	468	735	735	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	10	30	30	0
	<b>Total</b>	<b>103,476</b>	<b>105,976</b>	<b>106,412</b>	<b>436</b>
	1/Other goods and services from Federal sources				
	Working Capital Fund	16,344	16,538	16,538	0
	DHS Services	700	626	626	0
	Services by Other Government Departments	0	212	212	0

# OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

## CHANGES IN FY 2021

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

Costs of pay adjustments	\$1,036
Personnel benefits	0
Employee health benefits	0
Moving allowance	0
One day less of Pay	-266
Federal Employees' Compensation Act (FECA)	-2
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Working Capital Fund	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Research & Development Contracts	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Grants, subsidies, and contributions	0
Insurance claims and indemnities	0

**Built-Ins Subtotal** **\$768**

**Net Program** **-\$332**

**Direct FTE** **0**

	Estimate	FTE
<b>Base</b>	<b>\$106,744</b>	<b>496</b>
<b>Program Increase</b>	<b>\$2,500</b>	<b>0</b>
<b>Program Decrease</b>	<b>-\$2,832</b>	<b>0</b>