

Office of Federal Contracts Compliance Programs

Methodology for Developing the Supply & Service Scheduling List FY 2020, Release – 1

The process of developing the first release of the FY 2020 Supply and Service scheduling list started by downloading Federal contract information of currently active contracts from the Federal Procurement Data System–Next Generation (FPDS-NG). The FPDS-NG is a publicly-available information system administered by the U.S. General Services Administration (GSA). The downloaded transactional data were consolidated to create a single record for each contract, containing: the contract number, contractor names, establishment address, contract-related dates, contract-related dollar amounts, contracting agency, the Data Universal Numbering System (DUNS) number, and the North American Industry Classification System (NAICS) code. Cancelled contracts, contracts associated with debarred companies, contracts valued at less than \$50,000, and contracts awarded to federal, state, local, municipal, tribal, city, and Foreign governments, school districts, or construction companies were removed. Contracts that did not have any contract modification in the last fifteen months were assumed closed or cancelled, and were also removed.

Contract records were further consolidated at the establishment level based on the physical address of the establishment. If a contractor had only one contract at a given establishment address, the contract record was called the “Establishment Record.” If a contractor had multiple contracts at the same physical address, the contract record with the farthest expiration date became the Establishment Record and contract numbers from all other contract records were added to it. The resulting establishments were called “Direct Establishments.” Company names and addresses of Direct Establishments were matched against the EEO-1 database, which is administered by the Equal Employment Opportunity Commission (EEOC). For Establishment Records that matched EEO-1 records, OFCCP added the parent name, establishment name, unit number, headquarter number, establishment status, employee count, and contact information from the EEO-1 records to the respective Establishment Records. Establishment Records were further consolidated at the parent level to capture all contracts held by each parent company. If a parent had only one establishment with a contract(s), the “Parent Record” was the same as the Establishment Record. If a parent had multiple establishments with contract(s), the Establishment Record that had the farthest contract expiration date became the Parent Record and contract numbers from all of its establishment records were added to it. Direct establishments with less than 70 employees, establishments that were exempt due to Early Resolution Conciliation Agreement (ERCA) or establishments that had an active separate facility waiver were removed from the Establishment file.

Healthcare establishments that fall under OFCCP’s Final Rule: Affirmative Action and Nondiscrimination Obligations of Federal Contractors and Subcontractors: TRICARE Providers. 85 FR 39834 (July 2, 2020), and OFCCP’s TRICARE Directive (DIR 2014-01) were removed from both Establishment and Parent files. Functional units and establishments of companies that had Functional Affirmative Action Program (FAAP) agreements with OFCCP were added to the Establishment file as per their active FAAP agreements. Contract information obtained from

FPDS-NG was added to these records from their respective Parent Records. For each non-FAAP parent in the Parent File, OFCCP extracted all establishments with 100 or more employees from the EEO-1 database and added them to the Establishment File. These extracted establishments did not have direct contracts but fell within OFCCP's jurisdiction because their parent entity had a covered direct contract(s). These additional establishments were called "Associate Establishments." Contract information was added to these Associate Establishments from their respective parent records. Each record in the Establishment file was identified as a Direct Establishment, Associate Establishment, or FAAP Functional Unit. An OFCCP district office code was assigned to each establishment based on the establishment's physical address.

OFCCP cross-referenced the Establishment file with the agency's administrative database (OFIS) to remove establishments that: (1) were under review or monitoring period, (2) had completed a review or monitoring period within the last two years, or (3) were pending scheduling for review from a prior scheduling list, as of the release date of this scheduling list. Using Lexis-Nexis Corporate Structure and Duns and Bradstreet Family Tree, OFCCP removed independent subsidiaries of corporations that did not have contract coverage. The agency continues to focus its scheduling efforts on those contractors that may be more likely to violate OFCCP's laws. To this end, OFCCP matched establishments against the Department of Labor's publicly-available enforcement databases of the Occupational Safety and Health Administration (OSHA) and the Wage and Hour Division (WHD) to identify if any of these establishments had non-technical violations. These databases contain closed cases with violations for the last five fiscal years. The matched establishments were included in the scheduling list to assess if establishments with OSHA or WHD violations also have OFCCP violations.

This scheduling list is comprised of 2,250 establishments, which includes 500 Promotion Focused Reviews, 500 Accommodation Focused Reviews, 500 Compliance Checks, and 250 Section 503 Focused Reviews. The remaining 500 reviews include establishment-based compliance reviews, Corporate Management Compliance Evaluations (CMCE), FAAP reviews, and university compliance reviews. OFCCP distributed the scheduling list to regions and their district offices based on available human resources (FTE) as of July 17, 2020. OFCCP also used the following criteria in developing this scheduling list: (1) OFCCP did not include more than 10 establishments of any parent company in the entire scheduling list; (2) OFCCP did not include more than five full compliance reviews (not including focused reviews) of any parent company in the entire scheduling list; (3) OFCCP did not include more than two functional units of a company with a FAAP agreement; (4) OFCCP allocated no more than two CMCE reviews to each district office; and (5) OFCCP did not assign more than four university reviews to any region. University reviews shall include the entire university campus located in one city. University reviews of one campus will not include the university's other campuses in another city, medical school, and/or its affiliated hospital. Further, these reviews will not include university extension programs/services that are located outside of the main campus. If a university has multiple campuses in different cities, each campus is treated as a separate establishment of the university. Similarly, medical schools and hospitals, if owned by the university, are treated as separate establishments.

The two largest company headquarters available for each district office were selected for CMCE reviews. The largest available functional unit of each FAAP company was selected for a FAAP

review. If a district office received more than two FAAP companies, the next largest FAAP unit of these extra companies was assigned to a district office that did not receive any FAAP unit for review. Universities were selected based on the highest employee count in each OFCCP region. Compliance Reviews (Establishment Reviews), Promotion Focused Reviews and Compliance Checks for each district office were selected based on the highest employee count. Using these employee counts, OFCCP ordered the types of reviews from highest to lowest employee count: (1) Establishment Reviews; (2) Promotion Focused Reviews; and (3) Compliance Checks. But to ensure that both large and small establishments and companies are represented on this scheduling list, Accommodation Focused Reviews and Section 503 Focused reviews were selected for each district office from establishments with the lowest employee count. Accommodation Focused Reviews were selected first and were followed by the Section 503 Focused Reviews. All establishments that OFCCP identified as having OSHA and/or WHD violations were assigned a review type based on their employee count as described above.

After selecting establishments for each district office from their respective pools, the surplus establishments were pooled together to create regional pools. If any district office did not have a sufficient supply of establishments for certain types of reviews, additional establishments were selected from the respective regional pools to make up the difference. The process of selecting establishments for various review types from regional pools was the same as used for selecting establishments from the district office pools. This approach ensures that each region has its proportional share of the total scheduling list and proportional share of each review type. OFCCP randomly ordered the establishment reviews, CMCE reviews, FAAP reviews, university reviews, Section 503 Focused Reviews and Compliance Checks at the beginning of the scheduling list. Promotion Focused Reviews and Accommodation Focused Reviews were also randomly ordered and added to the bottom of the list. OFCCP appended this FY2020 Release 1 to district offices' existing lists of unscheduled establishments in the Case Management System. OFCCP does not purge unscheduled cases from prior lists before releasing a new scheduling list.

DISCLAIMER: OFCCP's decision to publish its scheduling methodology is voluntary and consistent with the agency's Transparency Directive, DIR 2018-08 § 7(a) ii. OFCCP has no legal obligation to publish its methodology and will revisit the decision to publish its scheduling methodology each time the methodology is revised.