# U.S. Department of Labor Office of Federal Contract Compliance Programs



November 2016

# **Table of Contents**

| Table of Contents                                  | ii |
|--|----|
| TAB 1: Agency Organizational Overview              |    |
| Mission  |    |
| Authorizing Legislation                            |    |
| Organizational Structure                           |    |
| Organizational Changes During the Past Eight Years | 4  |
| Key Leaders  |    |
| TAB 2: 30/60/90 Days – State of Play               |    |
| Key Meetings, Decisions and Announcements          | 6  |
| Key Agency Stakeholders                            |    |
| TAB 3: Initiatives                                 |    |
| Policy and Regulatory Issues                       | 8  |
| Enforcement  |    |
| Audits and Reports                                 |    |
| Management   |    |
| Calendar   |    |
| TAB 4: Budget                                      | 14 |
| TAB 5: Agency Performance                          |    |

## TAB 1: AGENCY ORGANIZATIONAL OVERVIEW

## Mission

The mission of the Office of Federal Contract Compliance Programs (OFCCP) is to enforce, for the benefit of job seekers and wage earners, the contractual promise of affirmative action and equal employment opportunity required of those who do business with the Federal government.

To achieve this mission OFCCP conducts compliance evaluations of the employment practices of approximately 3,000 Federal contractors and subcontractors annually, conducts complaint investigations, provides outreach to employees of Federal contractors to educate them about their rights, and engages Federal contractors to inform them of their non-discrimination and affirmative action obligations provide compliance assistance. These major activities advance the agency's purpose of bringing remedy to victims of discrimination, ensure equal opportunity and good jobs through the enforcement of affirmative action requirements, and prevent workplace discrimination through activities that facilitate proactive voluntary contractor compliance.

# **Authorizing Legislation**

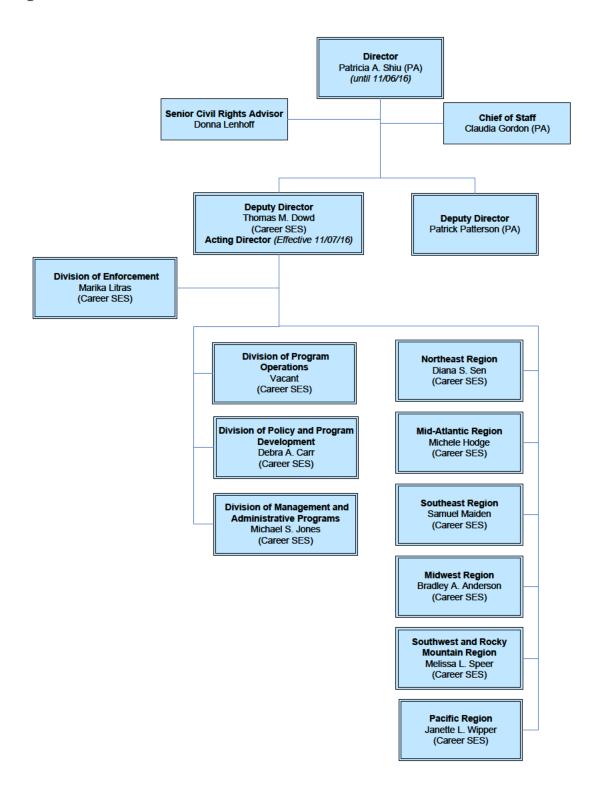
OFCCP enforces Executive Order 11246 (EO 11246), Section 503 of the Rehabilitation Act of 1973 (Section 503) and the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA). These laws, as amended, make it illegal for contractors and subcontractors doing business with the federal government 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 have inquired about, discussed, or disclosed their compensation or that of others, subject to certain limitations.

# **Organizational Structure**

OFCCP is comprised of a national office headquartered in Washington, D.C. with four divisions and six regional offices with 48 area and district 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). OFCCP's authorized full-time-equivalent (FTE) staff positions is 615. Presently, there is one key vacancy for the Director of Program Operations position.

During the Obama Administration, OFCCP filled all six SES-level Regional Director positions with personnel representing a diversity of backgrounds, experiences, skill sets, and strengths. Two were external hires and four are seasoned, career federal professionals who advanced their way up the management ranks. Additionally, the agency also has four career SES-level Division Directors in the national office. OFCCP's ten career Senior Executives form an expert group that mentors, teaches, and engages their staff better than ever before.

## Organizational Chart



# Workforce At-A-Glance

# DEPARTMENT OF LABOR EMPLOYMENT \* AS OF 11/1/2016 - OFCCP

|                         | AGEN               | CY                 |       |
|-------------------------|--------------------|--------------------|-------|
| Subagency               | National<br>Office | Regional<br>Office | Total |
| OFCCP                   | 81                 | 484                | 565   |
| Total                   | 81                 | 484                | 565   |
| R                       | ACE & GI           | ENDER              |       |
| Ethnicity               | F                  | М                  | Total |
| American<br>Indian      | 2                  | 2                  | 4     |
| Asian                   | 32                 | 18                 | 50    |
| Black                   | 160                | 74                 | 234   |
| Hawaiian/PI             | 1                  | 0                  | 1     |
| Hispanic                | 46                 | 45                 | 91    |
| Two or<br>more<br>Races | 5                  | 2                  | 7     |
| White                   | 84                 | 94                 | 178   |
| Total                   | 330                | 235                | 565   |

| BARGAINII          | NG UNIT |  |  |
|--------------------|---------|--|--|
| Local 12           | 52      |  |  |
| NCFLL              | 366     |  |  |
| Non-BU             | 147     |  |  |
| SUPERVI            | SORY**  |  |  |
| Non<br>Supervisor  | 452     |  |  |
| Supervisor         | 113     |  |  |
| WORK SCHEDULE      |         |  |  |
| F-Full Time        | 564     |  |  |
| P-Part Time        | 1       |  |  |
| REGIONS            |         |  |  |
| 1 Boston           | 20      |  |  |
| 2 New York         | 47      |  |  |
| 3<br>Philadelphia  | 57      |  |  |
| 4 Atlanta          | 104     |  |  |
| 5 Chicago          | 84      |  |  |
| 6 Dallas           | 59      |  |  |
| 7 Kansas<br>City   | 21      |  |  |
| 8 Denver           | 9       |  |  |
| 9 San<br>Francisco | 66      |  |  |
| 10 Seattle         | 17      |  |  |
| Natl Ofc           | 81      |  |  |
| Total              | 565     |  |  |

| GRAD                      | E   |  |
|---------------------------|-----|--|
| DISTRIBUTION              |     |  |
| 00                        | 13  |  |
| 04                        | 1   |  |
| 05                        | 11  |  |
| 06                        | 9   |  |
| 07                        | 19  |  |
| 08                        | 4   |  |
| 09                        | 5   |  |
| 11                        | 15  |  |
| 12                        | 299 |  |
| 13                        | 114 |  |
| 14                        | 61  |  |
| 15                        | 14  |  |
| Total                     | 565 |  |
| DISABLED<br>STATUS        |     |  |
| No Disability             | 443 |  |
| Non-<br>targeted          | 103 |  |
| Targeted                  | 19  |  |
| APPOINTMENT<br>TENURE     |     |  |
| Indefinite                | 1   |  |
| Permanent                 | 564 |  |
| RETIREMENT<br>ELIGIBILITY |     |  |
| Early Out                 | 89  |  |
| Eligible                  | 91  |  |
| Not Eligible              | 385 |  |
|                           |     |  |

| METRO [<br>EMPLO<br>BUIL                       |                       |                 | V.         |
|--|-----------------------|-----------------|------------|
| FRANCES<br>PERKINS BL                          | DG                    |                 | 76         |
| OFCCP<br>ARLINGTON<br>AREA OFFIC               | E                     |                 | 5          |
| Total  |                       |                 | 81         |
|  | D.C. a                | rea             |            |
|  | D.C. a                | rea             |            |
| GRADE 1  | D.C. a                | rea<br>BOV<br>M |            |
| GRADE 13 Ethnicity American                    | D.C. a                | rea<br>BOV<br>M | E          |
| GRADE 13 Ethnicity American Indian             | B.C. a  3 & AE        | rea<br>BOV      | <b>E</b>   |
| GRADE 13 Ethnicity American Indian Asian       | D.C. a  3 & AE  F  13 | BOV<br>M        | <b>E</b> 2 |
| GRADE 1: Ethnicity American Indian Asian Black | F 13                  | M M             | E 2 8 26   |

<sup>\*</sup> Permanent and Temporary Employees
\*\* Supervisor count includes manager levels 2 and 4

# **Organizational Changes During the Past Eight Years**

On November 8, 2009, the Department abolished the Employment Standards Administration (ESA). The four major program components of ESA – OFCCP, Office of Labor Management Standards, Office of Workers' Compensation Programs and the Wage and Hour Division – became stand-alone programs reporting directly to the Secretary of Labor. The purpose of the reorganization was to improve the efficiency of all four programs by eliminating a layer of review and decision-making, which allows DOL leadership to more quickly attend to policy matters in each program without having an added organization component review between the program heads and senior leadership.

Since 2009, OFCCP strengthened its civil rights enforcement program by shifting focus from compliance assistance to an active case enforcement approach that enhanced the remedies obtained for discrimination violations, clarified agency enforcement priorities, increased accountability by monitoring timeliness and quality, and empowered managers to lead. In fiscal year (FY) 2010, OFCCP's budget increased by \$22.9 million for additional staff to rebuild the program's enforcement capacity. As part of the rebuilding of the enforcement staff, OFCCP's actual FTE use increased by 119 in FY 2010 and reached a total of 755 FTE in FY 2011. Since FY 2010, the number of actual FTE has decreased substantially each year down to its current level of just under 600 in FY 2016. Over the last several years, OFCCP has strategically allowed the actual FTE to decline with attrition. This reduction of staff has allowed the agency to spend more financial resources on supporting the agency's enforcement priorities and initiatives. As part of this strategy, over the last several years OFCCP has focused intentionally on fewer cases, but ones that touch a wide variety of industries, occupations, and employment practices that make up today's complex and fast changing labor market.

In FY 2016 OFCCP completed the fewest number of compliance evaluations in a decade – just over 1,800 – but remedied as many victims of discrimination as it had in prior years, on average, with half the cases. Also in FY 2016, OFCCP obtained over \$10.5 million in financial remedies for these victims, nearly double the \$6 million in financial remedies obtained in FY 2015 with one-third the cases – and nearly as much as the \$12 million obtained in FY 2014 with only half the cases.

Prior to 2009, outreach was largely limited to compliance for federal contractors and close relationships with employer organizations. There was little or no engagement with workers' rights groups, state and local service providers, community-based organizations, or the civil rights community. Therefore, in August 2010, OFCCP established the Regional Outreach Coordinators Network to help raise the agency's profile and connect the agency with important stakeholders, vulnerable workers and their families.

In March 2013, OFCCP established the Indian and Native American Employment Rights Program (INAERP) to strengthen workplace protections and expand employment opportunities for qualified Indian and Native American job seekers and workers. INAERP provides compliance assistance and outreach to tribal leaders, community organizations, individual workers, federal agencies, and companies that hold federal contracts and subcontracts. In December 2014, OFCCP and the Council for Tribal Employment Rights (CTER) signed a Memorandum of Understanding to foster cooperation and support a mutually beneficial working relationship. Through the MOU OFCCP

and CTER agree to identify job opportunities for Indians and Native Americans with federal contractors.

Looking ahead, OFCCP seeks additional funding to create two Skilled Regional Centers, a key proposal to transform OFCCP operations. These centers would be located in the regional offices in the Pacific (San Francisco) and Northeast (New York) regions. These resources will support the agency's training of existing compliance officers and recruitment of new highly skilled personnel to handle more complex cases.

# **Key Leaders**

OFCCP's senior leadership team includes three political and twelve career senior executives.

| Political A | <i>Appointees</i> |
|-------------|-------------------|
|-------------|-------------------|

| Patricia A. Shiu                 | Patrick Patterson | Claudia Gordon |  |
|----------------------------------|-------------------|----------------|--|
| Director, OFCCP (until 11/06/16) | Deputy Director   | Chief of Staff |  |

#### Career Executives

Enforcement

Programe

| Thomas M. Dowd                       | Donna Lenhoff       |  |
|--------------------------------------|---------------------|--|
| Deputy Director                      | Senior Civil Rights |  |
| Acting Director (effective 11/07/16) | Advisor             |  |

# Marika LitrasVacantDebra A. CarrDirector, Division ofDirector, Division ofDirector, Division of Policy

|                               | $\mathcal{E}$ 1    | $\mathcal{E}$ 1     |
|-------------------------------|--------------------|---------------------|
| Michael S. Jones              | Diana S. Sen       | Michele Hodge       |
| Director, Division of         | Regional Director, | Regional Director,  |
| Management and Administrative | Northeast Region   | Mid-Atlantic Region |

**Program Operations** 

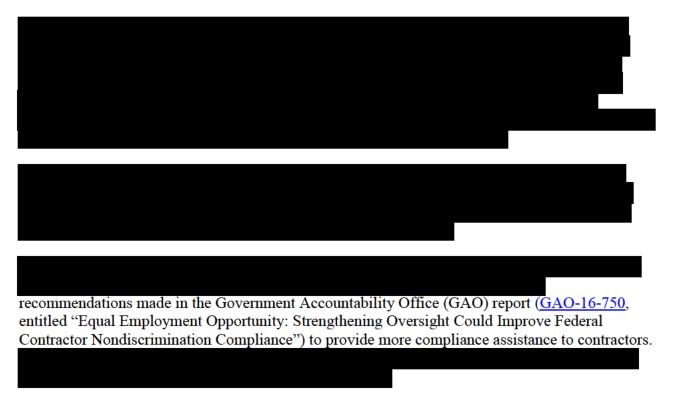
| Tiograms           |                     |                              |
|--------------------|---------------------|------------------------------|
| Samuel Maiden      | Bradley A. Anderson | Melissa L. Speer             |
| Regional Director, | Regional Director,  | Regional Director, Southwest |
| Southeast Region   | Midwest Region      | and Rocky Mountain Region    |

# Janette L. Wipper Regional Director Pacific Region

and Program Development

## TAB 2: 30/60/90 DAYS – STATE OF PLAY

# **Key Meetings, Decisions and Announcements**



# **Key Agency Stakeholders**

The incoming Administration can expect many of these stakeholders to request meetings to discuss its new priorities for OFCCP:

- trade groups representing federal contractors (e.g., the National Industry Liaison Group (ILG), local ILGs, the U.S. Chamber of Commerce, Associated General Contractors, the Equal Employment Advisory Council, the American Association for Access, Equity, and Diversity);
- trade unions (e.g., the Service Employees International Union, the AFL-CIO, the United Food and Commercial Workers Union);
- civil rights/workers' rights groups (e.g., Leadership Conference for Civil and Human Rights, NAACP Legal Defense and Educational Fund, American Civil Liberties Union, Center for American Progress, National Employment Law Project);
- women's groups (e.g., National Women's Law Center, Institute for Women's Policy Research, American Association of University Women, National Partnership for Women & Families);
- disability groups (e.g., Bazelon Center for Mental Health Law, American Association of People with Disabilities, Easter Seals);

- veterans' service organizations (e.g., Paralyzed Veterans' of America);
- groups representing the LGBT community (e.g., the Human Rights Campaign, National Center for Transgender Equality, Williams Institute UCLA School of Law).

# **TAB 3: INITIATIVES**

# **Policy and Regulatory Issues**

The new Administration will face several major policy decisions within the first three months. These policy decisions and actions are below.

- Propose new, or revise existing, regulatory agenda items for the publication of the Administration's Spring Regulatory Agenda;
- Create stakeholder engagement plans and timelines supporting the agency's regulatory agenda;
- Review and implement recommendations from a GAO report on the agency's operation that was issued in late FY 2016;
- Oversee the completion of a second GAO study started in May 2016, or create an
  implementation plan if the study is completed, on diversity in the information technology
  industry;
- Engage the National Council on Disability on its progress and any draft findings and recommendations resulting from a study started in late FY 2016 on Section 503 implementation; and
- Finalize Memorandum of Understanding with the Department of Transportation to strengthen information sharing that supports OFCCP's Mega Construction Project program.

While OFCCP will have no ongoing regulatory actions with deadlines pending in first 3 months of the new Administration, the agency will have to issue two information collection requests (ICRs) for public comment. The renewals of the VEVRRA and Section 503 ICRs would be ongoing within this period.

## **Policy Work Over the Past Eight Years**

Sound policy is the cornerstone of strong enforcement. At the beginning of the Obama Administration in 2009, OFCCP had profoundly outdated regulations designed to implement EO 11246, Section 503, and VEVRAA. The regulations did not achieve their intended goals and failed to reflect the realities of modern workplaces. So, OFCCP embarked upon one of the most ambitious regulatory agendas in the Department of Labor.

Creating Employer Accountability for Progress with New Disability and Veterans'
 Employment Regulations. In September 2013, OFCCP published game-changing updates to the regulations implementing Section 503 and VEVRAA. For the first time ever, there are specific, aspirational metrics for the employment of qualified workers with disabilities and protected groups of veterans. These regulations create accountability and support data-based decision-making by employers.

- Implementing New Protections Based on LGBT Status. For the first time in more than 40 years, the protections enforced by OFCCP expanded to include two new classes of workers. On July 21, 2014, President Obama signed Executive Order 13672, directing DOL to issue regulations prohibiting federal contractors from discriminating in employment on the basis of sexual orientation or gender identity. Less than five months later, OFCCP published a Final Rule implementing the President's order and establishing the first federal regulatory protections for lesbian, gay, bisexual, and transgender workers in the private sector.
- Providing Pay Transparency so that Employees Can Safely Discuss Their Pay and Timely Pursue a Remedy. In too many workplaces around the country, women and people of color do not know what their counterparts are earning for the same work. On April 8, 2014, President Obama signed Executive Order 13665 directing DOL to issue regulations prohibiting federal contractors from discharging or otherwise discriminating against employees or job applicants because they ask about, disclose, or discuss pay. On September 11, 2015, OFCCP issued a Final Rule implementing that Executive Order. As a result, workers have access to more information about their pay and that of their coworkers and can advocate for their rights, including reporting possible pay discrimination. This information is particularly important for women and people of color because of persistent pay gaps that still exist between them and White male workers.
- Collecting Pay Data to Focus Enforcement Resources, Encourage Voluntary Compliance, and Narrow the Pay Gap. Although laws protecting workers from pay discrimination have been in effect for more than 50 years, pay discrimination still exists and continues to plague American working families. Looking at annual earnings, there are large gaps in pay, with women working full-time earning approximately 79 cents to the dollar compared with men, as well as substantial disparities along racial and ethnic lines. In 2014 OFCCP published a proposed rule requiring the collection of federal contractor pay data by sex, race, and ethnicity. Meanwhile, EEOC was developing its own pay data collection proposal. After reviewing hundreds of comments on OFCCP's proposed rule, OFCCP and EEOC decided to work together to develop a joint proposal for a single collection tool that would add summary pay data to the EEO-1 employment report that employers have filed for decades. OMB approved and the final revised EEO-1 report was published in September 2016. Beginning in March 2018, private employers with 100 or more employees, including federal contractors, will annually file the revised EEO-1 report with pay data. Collecting the summary pay information, and analyzing it by race, gender, industry, and job category, will improve the efficiency of civil rights enforcement activities. It will also encourage contractors to be proactive in reviewing their pay data and practices and remedying any issues that they find.
- Replacing Outdated Sex Discrimination Guidelines with Regulations that Reflect Today's Workplace Realities. Women are a vital part of our workforce and economy. Moreover, most women today are financially responsible for themselves and their families. It is vital that women have equal access to jobs and equal treatment while on the job. In June 2016, OFCCP published a Final Rule replacing its outdated 1970's Sex Discrimination Guidelines with new regulations that reflect the current workforce and workplaces. The Final Rule addresses many of the barriers to equal opportunity and fair pay that workers face in the

workplace today, such as pay discrimination, sexual harassment, lack of accommodations for pregnancy, childbirth, and related conditions, gender identity discrimination, and discriminatory stereotypes about caregivers.

• Removing Barriers to Finding Systemic Pay Discrimination. In February 2013, OFCCP removed artificial barriers to finding and resolving systemic, wage-based discrimination by rescinding two enforcement guidance documents on pay discrimination that were originally issued in 2006. Commonly known as the "Compensation Standards" and "Voluntary Guidelines," the documents limited OFCCP's ability to conduct full investigations and use every enforcement tool at its disposal to combat pay discrimination. The rescinded documents were replaced by <u>Directive 2013-03</u>, which clarified and improved OFCCP procedures for reviewing contractor compensation systems and practices.

#### **Enforcement**

#### **General Enforcement Overview**

OFCCP does most of its enforcement work through neutrally scheduled compliance evaluations of federal contractors and subcontractors. During these compliance evaluations OFCCP evaluates compliance with affirmative action and non-discrimination obligations, as amended and required by the implementing regulations of EO 11246, Section 503, and VEVRAA.

OFCCP schedules about 3,000 compliance evaluations of federal contractor establishments annually, of which about 25 percent result in a violation of affirmative action, non-discrimination, or other obligations such as annual self-analysis and recordkeeping. Since January 2009, OFCCP compliance officers reviewed 28,723 federal contractor establishments. Collectively, those facilities employed 12 million workers. OFCCP also receives about 700 complaints annually from federal contractor employees, of which about 50 percent OFCCP refers to the Equal Employment Opportunity Commission under the Memorandum of Understanding between the two agencies.

In about 2 percent of OFCCP compliance evaluations, OFCCP uncovers discrimination and obtains remedies to make the victims of discrimination whole. Remedies in these cases typically include back pay and interest, denied job opportunities or salary adjustments and injunctive relief to keep the discrimination from continuing and recurring. Since January 2009, OFCCP cited contractors for discrimination violations in over 500 cases. Through conciliation efforts, the agency recovered \$74.4 million in back pay and interest for more than 136,000 workers who were unfairly subjected to discrimination and obtained more than 12,000 job opportunities.

OFCCP rarely litigates cases, and voluntary compliance is always OFCCP's goal, but when the agency cannot achieve voluntary compliance, it turns to litigation. Since 2009, the agency filed over 40 cases with the Office of the Administrative Law Judges in partnership with the Office of the Solicitor. OFCCP ultimately achieved successful outcomes in at least 33 of those cases with several still pending. Of these, the agency filed several lawsuits against contractors who denied OFCCP investigators access to documents, data or worksites. Currently, there are 14 OFCCP matters in litigation,

#### **Enforcement Initiatives Since 2009**

Ensuring Equal Pay without Discrimination – For several years prior to 2009, OFCCP's enforcement focused primarily on hiring discrimination in low-wage, entry-level jobs on the basis of race or sex. Since then, OFCCP has placed a premium on combating various forms of pay discrimination, including steering women or minorities into lower paying positions or discrimination resulting from sex stereotyping. Since January 2010, OFCCP has obtained more than \$5.8 million in back pay for more than 3,400 workers who were paid unfairly.

Mega Construction Projects (MCP) – In 2014, OFCCP re-launched its Mega Construction Project (MCP) Program to make a tangible difference in employment opportunities for qualified women, people of color, individuals with disabilities, and protected veterans who have the experience and determination to work on large, federally funded construction projects.

and nearly 40 percent of all OFCCP construction compliance evaluations are associated with a Mega Construction Project.

Quality – OFCCP has been a leader in the Department in measuring quality in its compliance evaluations and complaint investigations and reinvigorated its quality assurance program, which includes case audits, regional accountability reviews, and self-audits.

In 2015, 98 percent of our cases were free of major deficiencies. As a result, OFCCP has measurably improved the quality of its casework and the ability to systematically identify areas for improvement and training.

Federal Contractor Selection System – Over the last several years, OFCCP has significantly improved the identification of federal contractors,

. This is an important accomplishment since there is no single list of federal contractor and subcontractor establishments that meet OFCCP's thresholds for jurisdiction. Now that the agency has developed a reliable method of neutrally identifying federal contractor establishments for review,

# Interagency Enforcement Collaboration -

Under the 2011 MOU with EEOC, OFCCP established Compliance Coordination Advocates in the national office and in the field that meet semi-annually to discuss enforcement trends, current cases, and opportunities for collaboration. Since 2011, OFCCP and EEOC have engaged in hundreds of joint outreach events, have participated in cross training, and have collaborated on compliance evaluations and complaint investigations.

Functional Affirmative Action Program (FAAP) – In 2016 OFCCP issued a revised directive to strengthen enforcement under FAAP. The directive requires approval by the OFCCP director, no automatic renewal for contractors, and frequent compliance evaluations.

Indian and Native American Employment Rights Program (INAERP) – Through this Program, OFCCP continues to establish linkages between tribes and construction and non-construction federal contractors, to help increase the number of Indian and Native American workers, and help lower the chronically high unemployment rates throughout Indian Country.

# **Audits and Reports**

On September 22, GAO released its final report, <u>GAO-16-750</u>, entitled "Equal Employment Opportunity: Strengthening Oversight Could Improve Federal Contractor Nondiscrimination Compliance." GAO focused on OFCCP's work on supply and service contracts, and made six recommendations, including that OFCCP develop a contractor selection process that reflects contractor noncompliance risk, develop a mechanism to monitor contractors' compliance with AAP requirements, and review and assess the clarity of its contractor guidance. The Department's official response was included in GAO's report, and the Department's Statement of Executive Action on the recommendations is due to be submitted to GAO on November 18.

In May 2016, GAO initiated a separate study of diversity in the information technology industry (GAO Job Code 100838), focused on OFCCP, the Women's Bureau, and the Bureau of Labor Statistics. That study is ongoing.

In October 2016, the OIG initiated a discretionary audit of OFCCP's policies, procedures and practices in the area of construction. This audit comes on the heels of a comprehensive GAO audit that did not include the review of OFCCP's work in construction.

# Management

OFCCP is working on two projects to modernize its legacy enforcement case management database system to more efficiently and effectively carry out the agency's enforcement agenda. OFCCP currently is working with the Office of the Chief Information Officer (OCIO) to develop an electronic document management system to replace the agency's current paper-based case file system. This new system will address the current challenges of uniformity, security of sensitive information, version control, and inter-regional collaboration and efficiency of the agency's quality assurance activities. Simultaneously, OFCCP is working with OCIO to upgrade is current legacy case management system which tracks the status of OFCCP cases as they undergo various stages of a compliance evaluation. OFCCP is participating in this OCIO project, along with the Office of Labor Management Standards (OLMS), to help DOL demonstrate the potential of a DOL-wide case management platform (CMP) that will eliminate redundancies within agency-specific case management systems and move the Department towards centralization, automation and increased security.



## TAB 4: BUDGET

#### BUDGET AUTHORITY AND FTE SUMMARY

(Dollars in millions)

|                  | FY 2013<br>Enacted | FY 2014<br>Enacted | FY 2015<br>Enacted | FY 2016<br>Enacted | FY 2017<br>Request |
|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Budget Authority | \$99.7             | \$105.0            | \$106.5            | \$105.5            | \$114.2            |
| FTE              | 726                | 683                | 620                | 582                | 615                |

#### At-A-Glance

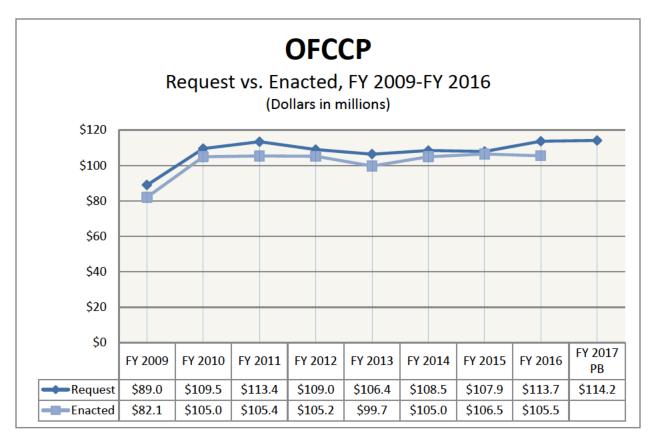
• The Office of Federal Contract Compliance Programs (OFCCP) is a single activity agency that is funded by an annual appropriation.

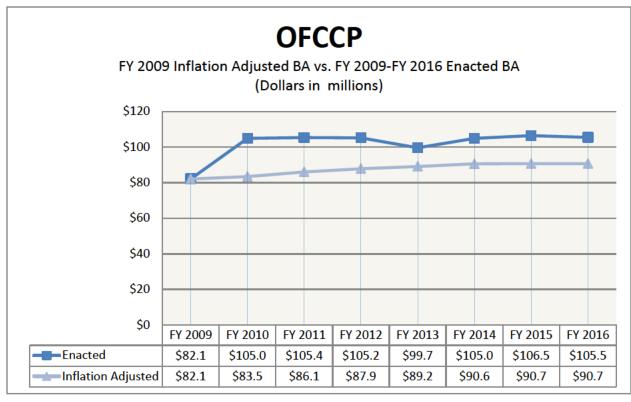
#### Budget and FTE Trends

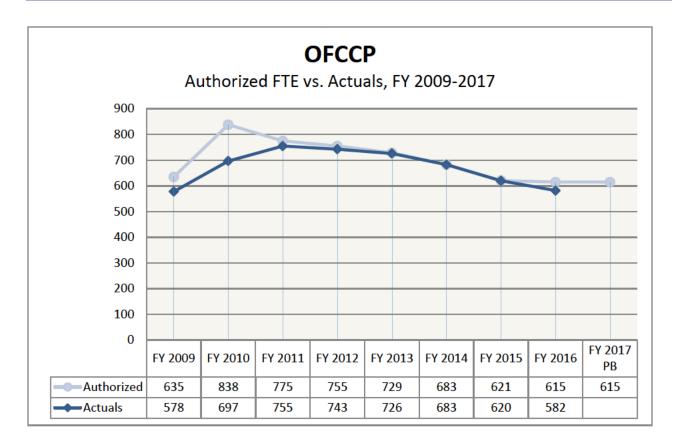
- OFCCP's enacted budget increased from FY 2009 to FY 2010 by \$22.9 million for additional staff to rebuild the program's enforcement capacity. The agency's budget has remained relatively stable from FY 2010 (\$105.0 million) through FY 2016 (\$105.5 million).
- As part of the rebuilding of the enforcement staff, OFCCP's authorized FTE increased by 203 from FY 2009 to FY 2010. The agency's actual FTE use increased by 119 in FY 2010 and reached a total of 755 FTE in FY 2011. From FY 2010 the number of authorized FTE has decreased substantially each year down to its current level of 615 in FY 2016. The agency did not have the funding necessary to sustain that level of employment with relatively flat funding each year as the cost per FTE and shared services fees increased. Management strategy has been to execute their budget using less FTE than what is in their ceiling to safely cover all their non-personnel expenses.
- OFCCP received supplemental funding for the American Reinvestment and Recovery Act
  (ARRA) in FY 2009 and FY 2010 in addition to regular base funding. The agency had \$2.5
  million in FY 2009 and \$6.7 million available in FY 2010. All of the supplemental funding
  expired at the end of FY 2010. The funding enabled OFCCP to conduct compliance
  evaluations to evaluate the personnel practices of federal contractors and subcontractors who
  receive ARRA funding, as well as conducting educational outreach events.
- OFCCP had a \$5.3 million reduction (5.0 %) in funding in FY 2013 due to sequestration.
  The agency reduced costs by furloughing all employees for five days; implementing a hiring
  freeze; canceling all performance awards, bonuses, overtime, and premium pay; and
  reducing travel and contract expenses.

## Upcoming Issues

 OFCCP has reduced FTE usage in recent years to ensure that continually increasing expenses like compensation, benefits, and shared Departmental services can be covered. OFCCP plans to maintain its FTE usage at the FY 2016 level.

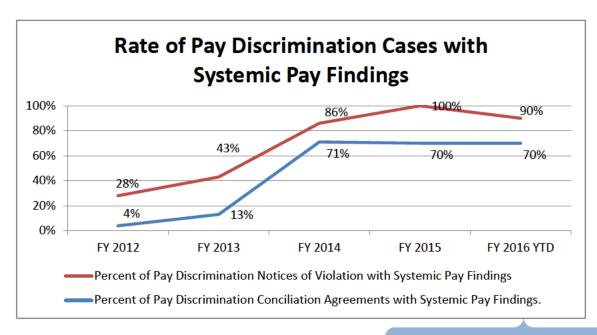






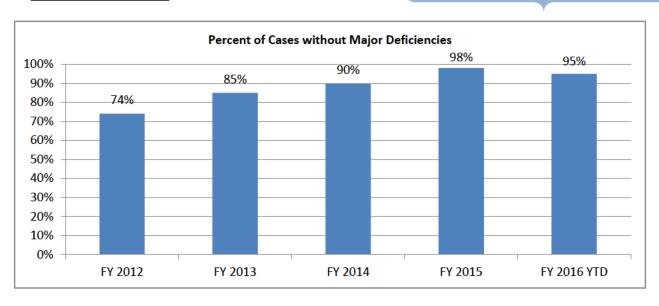
# **TAB 5: AGENCY PERFORMANCE**

Over the past several years, OFCCP has focused a substantial part of its resources on pay discrimination investigations that impact larger numbers of workers. From FY 2012 to the third quarter of FY 2016, OFCCP has significantly increased the percentage of pay discrimination cases that result in Systemic Pay Findings. This refers to cases that either address a measurable pattern of discrimination or identify a pay discrimination practice applicable to multiple employees.





# Performance Goal OFCCP 3.1 – Break down barriers to fair and diverse workplaces and narrow wage and income inequality.



As mentioned above, the agency is a leader in "strategic enforcement," or the practice of putting resources into efforts that will achieve the greatest impact. OFCCP classifies construction projects that are greater than \$25 million, last for at least one year, and are highly visible in their communities as "Mega Construction Projects." These projects can provide good jobs in the trades for women and minorities. Since FY 2013, the agency has taken steps to increase the percentage of its construction compliance evaluations that are associated with a Mega Construction Project.

