

Sample
Compliance Evaluation Letter

Easy AAP Reports (shown in red)

OMB NO. 1215-0072
Expires 09/30/2011
VIA CERTIFIED MAIL
(NUMBER)

RETURN RECEIPT REQUESTED

(Name of CEO)
(Title of CEO)
(Establishment Name)
(Street Address)
City, State, Zip Code)

Dear (Name of contractor official):

The U.S. Department of Labor, Office of Federal Contract Compliance Programs (OFCCP) has selected your establishment located at _____ for a compliance review under Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. 4212, and their implementing regulations at 41 CFR Chapter 60.

In addition, the review will include an examination of your establishment's compliance with the Federal Contractor Veterans' Employment Report (VETS-100) requirements (38 U.S.C. 4212(d))

AAP 1 – Vets 100 Report – needs to be filed annually on line.

<http://www.dol.gov/vets/programs/fcp/main.htm>

and the Employment Eligibility Verification (I-9) Report requirements of the Immigration Reform and Control Act of 1986.

OFCCP will conduct the compliance review as described in the regulations at 41 CFR 60-1.20(a)(1) and 60-250.60(a)(1), 60-300.60, and 60-741.60, which outline the three possible phases of the process. These phases may include a desk audit, an onsite review, and an offsite analysis.

For the desk audit, please submit the following information: **(1) a copy of your Executive Order Affirmative Action Program (AAP) prepared according to the requirements of 41 CFR 60-1.40 and 60-2.1 through 60-2.17*;**

This is your company's official written Affirmative Action Plan which includes your AAP 1, AAP 2, AAP Impact, AAP Census Reports and AAP Text documents.

(2) a copy of your Section 503/38 U.S.C. 4212 AAP(s) prepared according to the requirements of 41 CFR Parts 60-741 and 41 CFR Parts 60-250 and/or 60-300, respectively; and (3) the support data specified in the enclosed Itemized Listing.

The Disability and Handicap AAP is part of the AAP text documents.

OFCCP will treat the information you submit in response to this letter as sensitive and confidential to the maximum extent permitted under the Freedom of Information Act.

The findings OFCCP makes during the desk audit generally will determine whether an onsite review will be necessary, and if so, whether the onsite review will focus on one, two, or several issues. If an onsite review is necessary, we will notify you.

You should note that 41 CFR 60-2.2 authorizes the initiation of enforcement proceedings if the materials you submit for desk audit do not represent a reasonable effort* to meet the requirements of the regulations.

Please submit your AAPs and the support data specified in the enclosed **Itemized Listing** to the address listed on page one of this letter as soon as possible, but no later than 30 days from the date of your receipt of this letter. We encourage you to submit as much information as possible in electronic format as doing so may reduce the amount of time it takes to complete our review.

If an onsite review is necessary, we will need to have available for inspection copies of your I-9 forms. Employers must retain completed I-9s for three years after the date of hire OR one year after the date employment ends, whichever is later. We will also need documentation (e.g., payroll records) sufficient to identify all employees for whom I-9 forms are required. This letter provides you with three business days advance notice of the I-9 inspection, as required by law.

If you have any questions concerning the compliance review, please feel free to contact _____.

Sincerely,

(Name of District Director)
District Director

Enclosure: Itemized Listing

***See Itemized Listing, "NOTE 1."**

NOTE: The authority for requesting the following information is Executive Order (EO) 11246, as amended; Section 503 of the Rehabilitation Act of 1973, as amended; and the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA), as amended, 38 U.S.C. 4212. The information will be used in the compliance evaluation process. Furnishing the requested information is required. **Failure to furnish the requested information may constitute noncompliance with the contractor's obligations per the above authorities.**

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1215-0072. The time required to complete this information collection is estimated to average

28.35 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send any comments concerning this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to the Office of Federal Contract Compliance Programs, Room C-3325, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Itemized Listings

NOTE 1: The Executive Order AAP submission must demonstrate a reasonable effort to comply with 41 CFR Part 60-2. To do so, at a minimum, you must submit the following elements.

Both the AAP and support data are essential to conduct the desk audit phase of the compliance review. If any of the following information is computerized, you may submit it in an electronic format.

AAP 1 - You can submit the electronic format by following these steps: Open your AAP1 folder and you'll see EMPLOYEE.dbf, which contains employee data you used to generate the AAP 1- Workforce Reports. Make a copy of EMPLOYEE.dbf and place it in another folder. Open it in a spreadsheet program, delete column K and columns O-AK leaving a total of 13 columns. Save the file as Employee.xls and submit this with your official written affirmative action plan.

Executive Order AAP:

Easy AAP 1 Reports

1. An organizational profile prepared according to 41 CFR 60-2.11.

*Workforce Analysis by Job Title / Work Group (by Department)
Workforce Analysis by Job Title / Job Group*

2. The formation of job groups (covering all jobs) consistent with criteria given in 41 CFR 60-2.12;

*Listings - Job Titles by EEO Job Categories
Employee by Job Categories by Department*

3. For each job group, a statement of the percentage of minority and female incumbents, as described in 41 CFR 60-2.13;

Workforce Analysis by Job Group by Department

4. For each job group, a determination of minority and female availability that considers the factors given in 41 CFR 60-2.14(c) (1) and (2);

Availability Analysis by Total Minority and Total Female for each Job Group (AAP Census Reports for Both Factors – External Availability Detail by Job Group, and Promotability Detail is supportive data of how you formulate your Availability Analysis.)

5. For each job group, the comparison of incumbency to availability, as explained in 41 CFR 60-2.15.

Utilization Analysis by Minorities and Females for All departments together only

6. Placement goals for each job group in which the percentage of minorities or women employed is less than would be reasonably expected given their availability, consistent with 41 CFR 60-2.16.

Goals and Timetable Analysis by Minorities and Females for All departments together using the default percentages for all job groups.

Support Data

7. A copy of your Employer Information Report EEO-1 (Standard Form 100 Rev., see 41 CFR 60-1.7) for the last three years.

EEO -1 Survey data. Keep a copy of the annual report from joint reporting committee that must be filed on line.

<http://www.eeoc.gov/employers/eeo1survey/index.cfm>

AAP 1 - EEO- 1 Reports Employment Data Only - Section D

8. A copy of your collective bargaining agreement(s), if applicable. Please also include any other information you have already prepared that would assist us in understanding your employee mobility system(s), e.g., promotion, etc.

Include text in your written affirmative action plan.

9. Information on your affirmative action goals for the preceding AAP year and, where applicable (see below), progress on your goals for the current AAP year. See 41 CFR 60-1.12(b), -2.1(c) and -2.16.

For the preceding AAP year, this report must include information that reflects:

- (a) job group representation at the start of the AAP year, (i.e., total incumbents, total minority incumbents, and total female incumbents);
- (b) the percentage placement rates (% goals) established for minorities and/or women at the start of the AAP year; and
- (c) the actual number of placements (hires plus promotions) made during the AAP year into each job group with goals (i.e., total placements, total minority placements, and total female placements).

Goals and Timetable Analysis by Minorities and Females for All departments together using default percentages for all job groups.

Goals and Timetable Analysis by Minorities and Females from the previous year's affirmative action plan.

For goals not attained, describe the specific good faith efforts made to achieve them.

Include text in your written affirmative action plan. For example hiring freeze etc.

If you are six months or more into your AAP year on the date you receive this listing, please also submit information that reflects progress on goals established in your current AAP, and describe your implementation of action-oriented programs designed to achieve these goals (see 41 CFR 60-2.17(c)).

Create a new download for AAP 1 as of the date you receive the letter. Upload into AAP 1 and print the Goals and Timetable Report.

Easy AAP 2 Reports

10. Data on your employment activity (applicants, hires, promotions, and terminations) for the preceding AAP year and, if you are six months or more into your current AAP year when you receive this listing, for the current AAP year. These data must be presented either by job group (as defined in your AAP) or by job title (see 41 CFR 60-3.4 and 3.15).

List Transactions by Applicants, Hires, Promotions, Terminations and Audit Analysis for the previous year. If six months or more into the plan year, build the AAP2 applicant flow data and print the Audit Analysis Report

Easy AAP Impact Reports

- a. Applicants and Hires: The regulations at 41 CFR 60-2.17(b) and (d) require an analysis of your selection process, including whether the process eliminates a significantly higher percentage of minorities or women than nonminorities or men.

For each job group or job title, this analysis must consist of the total number of applicants and the total number of hires, as well as the number of minority and the number of female applicants and hires.

However, if some of your job groups or titles (most commonly, entry-level) are filled from the same applicant pool, you may consolidate your applicant data (but not hiring data) for those job groups or titles.

For example, where applicants expressly apply for or would qualify for a broad spectrum of jobs (such as "Production," "Office," etc.) that includes several job groups, you may consolidate applicant data.

Adverse Impact Report by Job Group for Hires

- b. Promotions: The regulations at 41 CFR 60-2.17(b) and (d) require an analysis of your promotion practices to determine if upward mobility of minority or female employees is occurring at a lesser rate (compared to workforce mix) than nonminority or male employees.

For each job group or job title, this analysis must consist of the total number of promotions, as well as the number of minority and the number of female promotions.

Adverse Impact Report by Job Group for Promotions

Please note that:

- (1) If you present promotions by job group, indicate how your company defines promotions and the basis on which the data were compiled (e.g., promotions to the job group, from and/or within the job group, etc.), or
- (2) If you present promotions by job title, include the department and job group from which and to which the person(s) was promoted.

AAP 2 Transaction by Job Category - Promotions

- c. Terminations: The regulations at 41 CFR 60-2.17(b) and (d) require an evaluation of the degree to which nondiscrimination policy is carried out with respect to employee terminations.

Adverse Impact Report by Job Group for Terminations

For each job group or job title, this analysis must consist of the total number of employee terminations, as well as the number of minority and the number of female terminations.

Please note that if you present terminations by job title, include the department and job group from which the person(s) terminated.

AAP 2 Transaction by Job Category - Terminations

11. Please provide annualized compensation data (wages, salaries, commissions, and bonuses) by either salary range, rate, grade, or level showing total number of employees** by race and gender and total compensation by race and gender.

Workforce Analysis by Hourly Pay Rates

Workforce Analysis by Job Title by all Job Groups

Present these data in the manner most consistent with your current compensation system. If you maintain the information in electronic format, please submit in that format. See 41 CFR 60-1.4(a)(1). You may also include any other information you have already prepared that would assist us in understanding your compensation system(s). Alternatively, under the voluntary guidelines for self-evaluation of compensation practices, 71 Fed. Reg. 35114 (June 16, 2006), you have the option of seeking compliance coordination. If you so choose, you need not submit the annualized compensation data outlined in Item 11. However, you must notify OFCCP that you "seek compliance coordination under the voluntary OFCCP compensation self-evaluation guidelines."

By providing the Employee.xls file the compliance officer does the compensation, regression and median analysis saving you time from performing those statistical tasks.

**For this purpose, the method used to determine employee totals by the contractor should be the same as that used to determine employee totals in the organizational profile for the AAP.

AAP 1 - Workforce Analysis by Job Groups by All departments together.