OFCCP Rules Changes Impact Member Firms’ Reporting Requirements

The Office of Federal Contract Compliance Programs (OFCCP), an agency within the Department of Labor (DOL), is charged with enforcing affirmative action and equal employment opportunity requirements of Federal contractors. All contractors and subcontractors who hold a Federal or federally-assisted contract in excess of $10,000 are subject to the regulatory requirements enforced by the OFCCP. Each Government contractor with 50 or more employees and $50,000 or more in government contracts is required to develop a written affirmative action program (AAP) for each of its establishments. The OFCCP oversees the following laws:

1. Executive Order 11246, as Amended
2. Section 503 of the Rehabilitation Act of 1973 (Section 503)
4. ADA — The Americans with Disabilities Act of 1990

The regulations related to VEVRAA and Section 503 were updated on September 24, 2013, and became effective on March 24, 2014. These changes apply to many ACEC firms.

A brief summary of the changes follows:

**Vietnam Era Veterans’ Readjustment Assistance Act (41 CFR part 60-300)** - The recent rule changes under the VEVRAA aims to improve affirmative action and other compliance requirements by federal contractors and subcontractors to improve recruiting and hiring of all protected veterans.

**Section 503 of the Rehabilitation Act (41 CFR part 60-741)** – These changes prohibit federal contractors and subcontractors from discriminating against individuals with disabilities and strengthens recruiting, hiring, promoting, and retention requirements.

Some action items firms will need to address include:

- Update employment posters
- Update company equal opportunity policy statements
- Comply with new data tracking and reporting requirements
- Implement affirmative action plan changes (creating a benchmark for hiring protected veterans and a 7 percent utilization goal for Section 503 of the Rehabilitation Act)
- Amend contract and subcontract language

OFCCP requires that the following wording be used in subcontracts in which the new rules apply:

“This contractor and subcontractor shall abide by the requirements of 41 CFR 60-300.5(a) and 41 CFR 60-741(a). These regulations prohibit discrimination against qualified individuals and protected veterans on the basis of disability or veteran status and requires affirmative action
by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities and protected veterans."

To determine if the rule changes apply to your firm’s hiring and subcontracting practices, you can refer to the US Department of Labor for an explanation of the amended requirements:

OFCCP Home Page - http://www.dol.gov/ofccp/
OFCCP Employer FAQs - http://www.dol.gov/ofccp/regs/compliance/faqs/emprfaqs.htm#Q1

The following links are to third party firms that consult on OFCCP related items:

Biddle Consulting Group - https://bcginstitute.site-ym.com/?page=vevraasection503

For many firms, these rule changes mean more work to do to stay compliant. For those who have been less focused on requirements in the past, the changes mean there is more ground to make up and more urgency to do so. If you have compliance questions, please seek the advice of your legal counsel.

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