

HOUSEKEEPING TIPS

- If you have Zoom issues, please email kacie@directemployers.org
- Questions can be asked using the Q&A panel and will be read aloud at the end
 of the session.
- Today's webinar is being recorded and will be sent via email to DE Members only within a few days.
- This session has also been submitted for HRCI and SHRM credits. Please email kacie@directemployers.org to obtain credit information.
- Don't forget to complete the post-event survey at the end of the webinar!
- Want more compliance updates? Sign up for text alerts by texting compliance to 55678

Last but not least...
Use #DEchat to tweet during the event!

OFCCP COMPLIANCE: LOOKING BACK AT 2020 & AHEAD TO 2021

DECEMBER 10, 2020

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AGENDA

LOOKING BACK at FY2020

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ABBREVIATIONS

CSAL = Corporate Scheduling Announcement List

Ee = Employee

Er = Employer

KOR = Contractor

NOV = Notice of Violation

NSC = Notice to Show Cause

OFCCP = Office of Federal Contract Compliance Programs

PDN = Predetermination Notice





I. Leen's Pillar 1: Transparency

- **□** OFCCP Help Events
 - Friday, October 4, 2019: OFCCP begins events to assist KORs prepare for Focused Reviews (https://directemployers.org/2019/10/07/ofccp-week-in-review-october-7-2019/)
 - Wednesday, October 23, 2019: Town Hall for Academic Institutions (https://directemployers.org/2019/10/28/ofccp-week-in-review-october-28-2019/)
- Craig Leen Public Speeches
- Monday, July 6, 2020: NILG speech introducing regular inclusion of Section 503 Focused Reviews and Promotion Focused Reviews (https://directemployers.org/2020/07/13/ofccp-week-in-review-july-13-2020/)





□ Tuesday September 22, 2020: President Trump signs Executive Order 13950: Combating Race and Sex Stereotyping
 (https://www.federalregister.gov/documents/2020/09/28/2020-21534/combating-race-and-sex-stereotyping)
 □ Wednesday, October 6, 2020: OFCCP issues requests related to "Implied" race-based employment preferences at Wells Fargo and Microsoft (https://directemployers.org/2020/10/12/ofccp-week-in-review-october-12-2020/)
 □ Concern as to how private employers institute racial or gender preferences in hiring





□ Preferences in Employment Issues
 □ Monday, July 6, 2020: OFCCP seeks to connect HBCUs, HACUs, and TCUs to Federal Contractors

 (https://directemployers.org/2020/07/13/ofccp-week-in-review-july-13-2020/)
 □ Employer connection issue?
 □ Skills/experience pipeline to Employer problem?
 □ Lack of Applicant Interest?
 □ Employer intentional discrimination problem?
 □ Implicit bias problem?





■ Resources for Contractors ☐ Tuesday, December 17, 2019: New Section 503 Focused Review **Guide and Standard Compliance Evaluation Report form** (https://directemployers.org/2019/12/23/ofccp-week-in-reviewdecember-23-2019/ ☐ Friday, February 21, 2020: OFCCP launches Contractor Compliance Institute (https://directemployers.org/2020/02/24/ofccp-week-inreview-february-24-2020/ ☐ Monday, July 6, 2020: Report of registrations to Contractor Compliance Institute (https://directemployers.org/2020/07/13/ofccp-week-in-reviewjuly-13-2020/)





■ Resources for Contractors (con't) ☐ Monday, May 4, 2020: OFCCP launches webpage with resources for Federal Contractors and workers related to past drug misuse (https://directemployers.org/2020/05/11/ofccp-week-in-reviewmay-11-2020/ ☐ Tuesday, August 4, 2020: OFCCP webinar regarding conciliation, mediation, and Ombuds service (https://directemployers.org/2020/08/10/ofccp-week-in-reviewaugust-10-2020/) Monday, August 31, 2020: OFCCP webinar regarding TRICARE compliance assistance (https://directemployers.org/2020/09/08/ofccp-week-in-reviewseptember-8-2020/





- - ☐ Monday, September 21, 2020: Notice explaining revisions to CSAL that could result in more than five OFCCP "instigations" occurring simultaneously (https://directemployers.org/2020/09/21/ofccp-week-in-review-september-21-2020/)





I. Leen's Pillar 2: Certainty

december-30-2019/

- ☐ Final and Proposed Rules Issued by OFCCP
 ☐ Monday, December 30, 2019: Proposed Rule codifying procedures for Predetermination Notices and Notices of Violation (https://directemployers.org/2019/12/30/ofccp-week-in-review-
 - □ Thursday, July 2, 2020: Final Rule establishing OFCCP lacks authority over federal health care providers participating in TRICARE (https://directemployers.org/2020/07/06/ofccp-week-in-review-july-6-2020/)
 - □ Tuesday, November 10, 2020: FINAL Rule codifying procedures for Predetermination Notices and Notices of Violation (https://www.federalregister.gov/documents/2020/11/10/2020-24858/rin-1250-aa10)





- ☐ The Center for Investigative Reporting, et al. v. U.S. Dept. of Labor, Case No. 4:19-cv 01843-KAW (N.D. Ca. December 10, 2019)
 - ☐ Tuesday, December 10, 2019: OFCCP required to disclose EEO-1 Reports as they lack trade secret and commercial information exempt from FOIA production (https://directemployers.org/2019/12/30/ofccp-week-in-review-december-30-2019/)
- New Technical Assistance Guides
 - ☐ Friday, October 11, 2019: TAG for Educational Institutions (https://directemployers.org/2019/10/14/ofccp-week-in-review-october-14-2019/)
 - Wednesday, November 13, 2019: TAG for Construction Contractors (https://directemployers.org/2019/11/18/ofccp-week-in-review-november-18-2019/)





- New Technical Assistance Guides (con't)
 - Wednesday, August 5, 2020: TAG regarding information for employees as to use of codeine, oxycodone, and other opioids (https://directemployers.org/2020/08/10/ofccp-week-in-review-august-10-2020/)
 - Wednesday, August 5, 2020: TAG for health care providers regarding helping current and former patients who have used opioids stay employed (https://directemployers.org/2020/08/10/ofccp-week-in-review-august-10-2020/)





- ☐ FAQs
 - Contractors Prohibited from Discriminating Against Qualified Individual Known to be Spouse of a Protected Veteran Under VEVRAA (https://directemployers.org/2019/10/21/ofccp-week-in-review-october-21-2019/)
 - Wednesday, October 7, 2020: OFCCP Issued FAQs on Sex Stereotyping Related to Executive Order 13950

 (https://directemployers.org/2020/10/12/ofccp-week-in-review-october-12-2020/)
 - ☐ Friday, June 26, 2020: Updated FAQs regarding OFCCP's Scheduling Letter and Itemized Listing (https://directemployers.org/2020/06/29/ofccp-week-in-review-june-29-2020/)





☐ FAQs (con't) Friday, August 28, 2020: New FAQ on Affirmative Action Plan treatment of non-binary employees (https://directemployers.org/2020/08/31/ofccp-week-in-review-august-31-2020/ Wednesday, September 23, 2020: FAQs related to Focused Reviews on promotions and Section 503 accommodations (https://directemployers.org/2020/09/28/ofccp-week-in-reviewseptember-28-2020/) Wednesday, October 7, 2020: FAQs on sex stereotyping related to Executive Order 13950 (https://directemployers.org/2020/10/12/ofccpweek-in-review-october-12-2020/)





□Executive Orders

- □ President Trump Revokes Executive Order 13495 regarding non-displacement of qualified workers under service contracts

 (https://directemployers.org/2019/11/12/ofccp-week-in-review-november-12-2019/)
- □ President Trump issues Executive Order 13940 directing federal departments and agencies to review contracts and subcontracts regarding use of temporary foreign labor (https://directemployers.org/2020/08/24/ofccp-week-in-review-august-24-2020/)
- □ President Trump issues Executive Order 13950 related to content of diversity and inclusion training Federal Contractors and Subcontractors provide (https://directemployers.org/2020/09/28/trump-issues-executive-order-13950-to-combat-race-and-sex-stereotyping-imposing-new-requirements-on-government-contractors/)





□Opinion Letters

□OFCCP2020-1: Employers participating in SkillBridge program insufficient to render employer subject to OFCCP jurisdiction (https://directemployers.org/2019/11/12/ofccp-week-in-review-november-12-2019/)

□Updated Forms

- □OMB approval of modified Voluntary Self-Identification Form for individuals with disabilities (https://www.dol.gov/agencies/ofccp/self-id-forms?utm_campaign=&utm_medium=email&utm_source=govdelivery)
- □ Thursday, April 9, 2020: OFCCP request for comments to revision of OFCCP Complaint Form involving employment discrimination (https://directemployers.org/2020/04/13/ofccp-week-in-review-april-13-2020/)





□Directives

□ Friday, November 8, 2019: Directive 2020-01 regarding nondiscrimination verbiage for employment of spouses of protected veterans (https://directemployers.org/2019/11/18/ofccp-week-in-review-november-18-2019/)

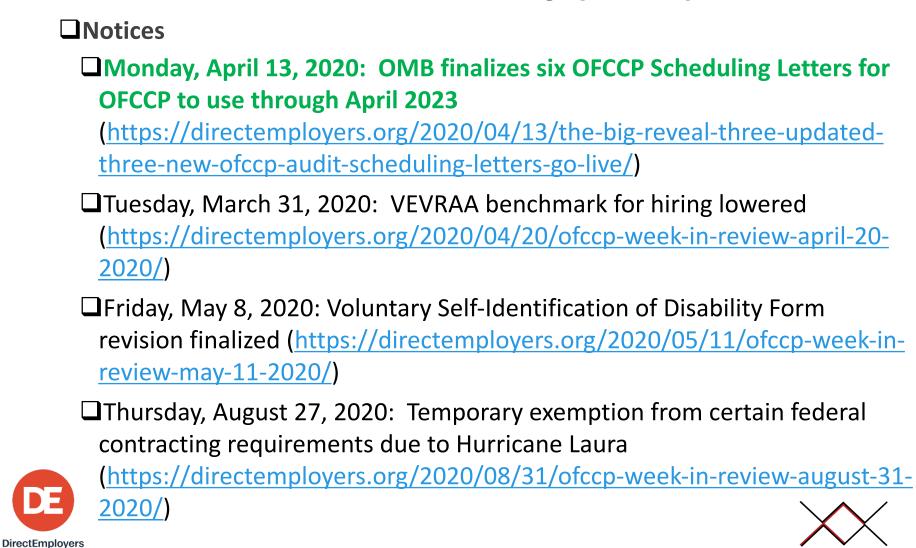




- **□**Notices
 - ☐ Monday, November 25, 2019: OFCCP Will Not Use Component 2 Data (https://directemployers.org/2019/11/25/ofccp-week-in-review-november-25-2019/)
 - □ Monday, December 23, 2019: OFCCP update of Federal Contractor Compliance Manual (https://directemployers.org/2020/01/06/ofccp-week-in-review-january-6-2020/)
 - □ Wednesday, March 18, 2020: Temporary exemption from certain federal contracting requirements due to COVID-19 national emergency (https://directemployers.org/2020/03/23/ofccp-week-in-review-march-23-2020/)
 - Wednesday, March 25, 2020: Clarification of national interest exemptions (https://directemployers.org/2020/03/30/ofccp-week-in-review-march-30-2020/)



Association



I. LEEN'S Pillar 3: Efficiency

- □ Monday, March 2, 2020: OFCCP Action Plan in response to 2019 Town Hall meetings (https://directemployers.org/2020/03/09/ofccp-week-in-review-march-9-2020/)
- ☐ Monday, June 29, 2020: OFCCP announced results of its Early Resolution Procedures process established by Directive 2019-02

(https://directemployers.org/2020/07/06/ofccp-week-in-review-july-6-2020/)

☐ Monday, September 14, 2020: OFCCP seeking comments on authorization for an annual, online Affirmative Action Program certification process and submission of AAPs electronically

(https://directemployers.org/2020/09/14/ofccp-week-in-review-september-14-2020/)





I. LEEN'S Pillar 3: Efficiency (con't)

- □ Directives related to Efficiency
 □ Friday, April 17, 2020: Directive 2020-02 regarding efficiency in Compliance Evaluations
 (https://directemployers.org/2020/04/20/ofccp-week-in-review-april-20-2020/)

 □ Friday, April 17, 2020: Directive 2020-03 regarding pre-referral mediation program (https://directemployers.org/2020/04/20/ofccp-week-in-review-april-20-2020/)
 - □ Friday, April 17, 2020: Directive 2020-04 regarding Ombuds service protocol (https://directemployers.org/2020/04/20/ofccp-week-in-review-april-20-2020/)





I. LEEN'S Pillar 4: Recognition

- □Wednesday, December 11, 2019: 427 employers recognized as recipients of 2019 HIRE Vets Medallion (https://directemployers.org/2019/12/16/ofccp-week-in-review-december-16-2019/)
- ☐ Tuesday, November 10, 2020: Congrats to the 675 HIRE Vets Medallion Recipients

(https://directemployers.org/2020/11/16/ofccp-week-in-review-november-16-2020/

☐ Monday, December 16, 2019: OFCCP Promotes Administration for Community Living's Challenge seeking innovative models to help businesses reach wider talent pool to create opportunities for employment for people with disabilities (https://directemployers.org/2019/12/23/ofccp-week-in-review-december-23-2019/)





I. LEEN'S Pillar 4: Recognition (con't)

- □ Wednesday, March 11, 2020: U.S. Department of Labor announces winners of inaugural Excellence in Disability Inclusion Awards Program (https://directemployers.org/2020/03/16/ofccp-week-in-review-march-16-2020/)
- □ Wednesday, September 23, 2020: U.S. Department of Labor identifies initial 18 organizations as Standards Recognition Entities who will evaluate and recognize high-quality Industry-Recognized Apprenticeship Programs (https://directemployers.org/2020/09/28/ofccp-week-in-review-september-28-2020/)





II. OFCCPs Burgeoning New Audit Vehicles

Will the Current 12 Types of OFCCP Investigations Survive?

Compliance Review: Supply & Service Focused Review: D&I

Compliance Review: Construction Focused Review: Accommodation

Focused Review: Section 503 Compliance Check: Construction

Focused Review: Protected Veterans Compliance Check: Supply & Service

Focused Review: Promotions Complaint Investigation

Corporate Management Compliance Evaluation Functional Affirmative Action Plan





II. OFCCPs New Audit Vehicles (con't)

- ■What has happed to OFCCP's decision to audit based on legacy internal files?
- □OFCCP uses the Federal Procurement Data System to select audit targets
 - ■No subcontractors in that file system (i.e. no audits of "subcontractors")
- ■Audits based on the 2020 CSAL are just now beginning
- ■What will TEAM BIDEN do? Four choices:
 - 1. Play through using Trump CSALs and audit tools?
 - ☐ Takes a long time to create constitutionally compliant systems
 - ☐ Baker DC decision vs. OFCCP was April 6, 2018 (struck down OFCCP's construction audit program: OFCCP intends to resume in 2021)

Construction Compliance Evaluations				
	FY	FY	FY	FY
	2020	2019	2018	2017
Scheduled*	0	1	43	110
Completed*	2	12	99	106
Associated with a Mega Construction				
Project	1	9	89	84





II. OFCCPs New Audit Vehicles (con't)

- ☐ What will TEAM BIDEN do? Four choices (con't):
 - 2. Play through on existing Trump OFCCP CSALs and audit tools, AND continue in Trump OFCCP's footsteps with next round (in late 2021 or 2022) of newly identified audit targets?
 - 3. Change out the CSALs and audit tools ASAP (=mid-2021, at earliest)
 - 4. Change out the CSALs and audit tools after playing through on the Trump OFCCP CSALs and using Trump OFCCP audit tools?

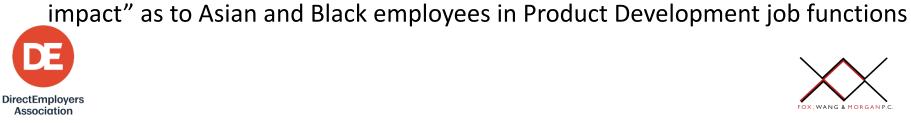
HISTORICALLY: New Administration has always played through to conclusion of prior Administration's audit plan and tools





Defense of Compensation Audits in Light of Oracle

□ <i>OFCCP v. Oracle,</i> Case No. 2017-OFC-00006	
□OFCCP allegations:	
☐Intentional compensation discrimination against Asian and Black employees i Product Development job function;	'n
☐ Discrimination in assignment and job classification against female employees in Product Development, Information Technology, and Support job functions;	
☐ Discrimination in assignment and job classification against Asian and Black employees in Product Development job function;	
☐Policy or practice of relying on prior pay in setting salary resulting in "adverse impact" as to women employees in Product Development, Information Technology, and Support job functions; and	ì .
☐Policy or practice of relying on prior pay in setting salary resulting in "adverse	<u>,</u>





III. Defense of Compensation Audits in Light of Oracle (con't)

□ <i>OFCCP v. Oracle,</i> Case No. 2017-OFC-00006
□ALJ Judge Clark's findings as to OFCCP's statistical expert Dr. Janice Madden:
Dr. Madden's analysis does not similarly situate employees with respect to the work performed;
Dr. Madden's measurement of experience and education does not adequately capture the sort of education and experience that matters to Oracle; and
☐Dr. Madden's model as to assignment and steering is poorly constructed and thus cannot support an inference of systemic discrimination
☐"Adverse Impact" claims:
☐Judge Clark found Oracle did not have a policy or practice of relying on prior pay in salary setting; and

□OFCCP failed to establish what policy or practice caused the alleged adverse





III. Defense of Compensation Audits in Light of *Oracle* (con't)

□WHAT DOES JUDGE CLARK'S DECISION MEAN FOR COMPENSATION AUDITS?
☐ Disparate Treatment claims
☐Which employees are "similarly situated"?
☐Same skills, job duties
☐ Need to identify relevant qualifications that matter
□Adverse Impact claims

☐ Re-affirmation of Title VII disparate impact law





III. Defense of Compensation Audits in Light of Oracle

- □Oracle filed a Complaint in federal District Court in Washington D.C. challenging OFCCP's use of an administrative court system (known as the Office of Administrative Law Judges: "OALJ") to sue Oracle. Oracle argued Congress did not approve or delegate the authority to OFCCP to create such a court
- □OFCCP did not appeal its loss in the OALJ. In exchange, Oracle agreed to dismiss its lawsuit.
- The Oracle decision thus becomes a Final Decision and Order. Arguments will ensue as to whether other contractors may now rely on the Oracle case decision as legal precedent in their actions seeking to fend off OFCCP audits/litigation pursuing the same poor and inappropriate theories of liability OFCCP pursued against Oracle





IV. The Biden Policy Agenda Requires Democrats To Control The Senate

WHAT CAN THE PRESIDENT CHANGE WITHOUT THE SENATE?

- -Return of Obama EEO and Affirmative Action policies?
- -Return of Obama Employment Discrimination Law policies?
- -Return of Presidential Executive Orders to attempt to end-around Senate blockades of Congressional Legislation?
- -Return of the "Blacklisting" Executive Order?
- -Rescission of Trump Executive Order 13950 (D&I training)?
- -Rescission of Trump Executive Orders Advancing Religious Freedoms? (EO 13926: 20-6-2; EO 13831: 18-5-3)





WHAT CAN AN OFCCP DIRECTOR CHANGE?

- -Recission of Predetermination Rule?
 - -BUT WAIT! Rules are difficult to rescind: must have legal predicate
 - -The new OFCCP Director cannot just willy-nilly exercise raw power to change Rules
- -Rescission of sub-regulatory guidance: MOU (Memorandum of Understanding)?
 - -Ticking timebomb?





WHAT CAN AN OFCCP DIRECTOR CHANGE (con't)?

- -Return to an Enforcement agenda; rather than an education/technical assistance agenda?
- -Elimination of OFCCP Focused Reviews, which became essentially technical assistance reviews, and return to full Compliance Reviews, with teeth?
- -Return of OFCCP lawsuits?





- -Massive rebuilding AND re-modeling of OFCCP needed
 - -OFCCP down to only about 400 on-roll employees [from 1000 (Reagan) and 785 (end of Clinton and start of Obama)]
 - -OFCCPers highly demoralized (agency imploding around them)
 - -Lines of management control shattered through constant centralization of decision-making to National Office





- -OFCCP District Directors biggest losers in the turf wars
 - -Little of their jobs left; little for them to do
 - -Currently, very highly-paid "paralegals" in effect
- -OFCCP office structure quickly now changing
 - -Now only 31 District Offices (down from 60 at zenith)
 - -14 Area Offices now; up from typically 2 such offices
 - -3 Field Stations; up from the usual 1 such office
- -Most of these downgraded and closed offices occurred recently





- -On site OFCCP audits almost a relic of the past
- -Democrats in the best position to drive meaningful change in OFCCP structure
 - -Unions will oppose re-structuring
 - -Huge Congressional headache





- -OFCCP must now go remote and relinquish leases of most remaining offices
- -Time for OFCCP to finalize its move to specialization and centralization -8 office structure
 - -1 National Office for policy and homogenous direction
 - -6 OFCCP Regional Offices to investigate, resolve and prosecute all discrimination issues: Discrimination Offices
 - -1 office (to be established in an inexpensive, centralized, cost-impacted part of the country (Louisville? St Louis?) to do all Affirmative Action reviews: Affirmative Action Office





- -OFCCP must now go remote (con't)
- -Could be a 4 office system, with only two Discrimination Offices (instead of 6):
- -Remember the Obama OFCCP's plan to establish two Super-regional offices?

 One in NYC and one in SF? Remember Trump OFCCP concurred?
- -Or, it could be a 5 office system with three Discrimination Offices (add Chicago)
- -Or a 6 office system with four Discrimination Offices (add Dallas)
- -How many offices OFCCP "needs" depends on one's sense of needed travel in a post-pandemic world (only travel to courtroom needed...in cases which almost never go to trial at destinations to which most lawyers have to travel anyway)





V. Looking Forward to 2021

□2020 Democratic Party Platform

□ Protecting LGBTQ+ Health

"We condemn the Trump Administration's discriminatory actions against the LGBTQ+ community, including the dangerous and unethical regulations allowing doctors, hospitals, and insurance companies to discriminate against patients based on their sexual orientation or gender identity. Democrats will reverse this rulemaking and restore nondiscrimination protections for LGBTQ+ people and people living with HIV/AIDS in health insurance, including coverage of all medically necessary care for gender transition. We will also take action to guarantee that LGBTQ+ people and those living with HIV/AIDS have full access to needed health care and resources, including by requiring that federal health plans provide coverage for HIV/AIDS testing and treatment and HIV prevention medications like PrEP and PEP, gender confirmation surgery, and hormone therapy." p. 33





- **□** 2020 Democratic Party Platform (con't)
- ☐ Protecting Americans' Civil Rights
 - "Democrats are committed to ending discrimination on the basis of race, ethnicity, national origin, religion, language, gender, age, sexual orientation, gender identity, or disability status. We will appoint U.S. Supreme Court justices and federal judges who look like America, are committed to the rule of law, will uphold individual civil rights and civil liberties as essential components of a free and democratic society, and will respect and enforce foundational precedents, including Brown v. Board of Education and Roe v. Wade." p. 39





- **□2020** Democratic Party Platform (con't)
- ☐ Achieving Racial Justice and Equity
 - "Historic wrongs and abuses perpetrated against Native Americans, two and a half centuries of slavery, a hundred years of Jim Crow segregation, and a history of exclusionary immigration policies have created profound and lasting inequities in income, wealth, education, employment, housing, environmental quality, and health care for communities of color. Democrats are committed to standing up to racism and bigotry in our laws, in our culture, in our politics, and in our society, and recognize that race-neutral policies are not sufficient to rectify race-based disparities. We will take a comprehensive approach to embed racial justice in every element of our governing agenda, including in jobs and job creation, workforce and economic development, small business and entrepreneurship, eliminating poverty and closing the racial wealth gap, promoting asset building and homeownership, education, health care, criminal justice reform, environmental justice, and voting rights. Democrats will ensure federal data collection and analysis is adequately funded and designed to allow for disaggregation by race and ethnicity, among other important factors, to better design policies to address the needs of the most vulnerable communities and make informed policy choices." p. 40





- **□** 2020 Democratic Party Platform (con't)
- ☐ Protecting Women's Rights
 - ☐ "Democrats will fight to guarantee equal rights for women, including by ratifying the Equal Rights Amendment and at long last enshrining gender equality in the U.S. Constitution. We will take aggressive action to end pay inequality, including by increasing penalties against companies that discriminate against women and passing the Paycheck Fairness Act." p. 42
- ☐ Protecting LGBTQ+ Rights
 - "We will ensure that all transgender and non-binary people can procure official government identification documents that accurately reflect their gender identity. We will stop employment discrimination in the federal government, and will restore full implementation of President Obama's executive order prohibiting discrimination by federal contractors on the basis of sexual orientation and gender identity." p. 42-43





- **□2020** Democratic Party Platform (con't)
- ☐ Protecting Disability Rights
 - "Democrats will fully enforce the Americans with Disabilities Act, the Individuals with Disabilities Education Act, the Fair Housing Act, the Civil Rights of Institutionalized Persons Act, Section 504 of the Rehabilitation Act, the Mental Health Parity and Addiction Equity Act, and the Help America Vote Act, among other bedrock statutes protecting the rights of people with disabilities. We will oppose any efforts to weaken enforcement of the Americans with Disabilities Act. We will ensure non-discrimination in access to health care, building on the protections for people with disabilities enshrined in the Affordable Care Act. We will ensure every federal agency aggressively enforces the integration mandate affirmed in the Olmstead decision, and repair the damage done by the Trump Administration. We will rigorously enforce non-discrimination protections for people with disabilities in health care, employment, education, and housing, and ensure equal access to the ballot box." p. 43





THANK YOU! QUESTIONS?



