



Functional Affirmative Action Program: Back and Better Than Before

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Overview

- ❑ Functional Affirmative Action Program (FAAP) Background
- ❑ Key Changes in new FAAP Directive
 - Definitions
 - Criteria
 - Basic Principles
- ❑ Required AAP Elements
- ❑ Application Procedures
- ❑ Modifications and Updates
- ❑ Renewal Process
- ❑ Termination
- ❑ Q & A



Background

- ❑ The regulation at 41 CFR 60-2.1(d)(4) allows for the use of FAAPs
- ❑ FAAP Directive No. 254, signed March 21, 2002
- ❑ FY 2010, FAAP Program placed on hold pending new OFCCP Director's review
- ❑ FAAP Directive No. 296, signed June 14, 2011, supersedes FAAP Directive 254

Poll Question #1

What is a FAAP Agreement?

- A. An establishment supply and service contractor plan subject to AAP requirements under OFCCP regulations
- B. An approved agreement by the OFCCP Director that allows a government contractor to include all of its employees in AAPs that are based on functional or business units
- C. OFCCP Director approved agreement allowing a government contractor to include all of its employees in AAPs based solely on functional or business units, or a combination of both functional and establishment-based AAPs
- D. Both B & C
- E. None of the Above



Key Changes

Definitions

- ❑ Compliance Evaluation
- ❑ Establishment
- ❑ Functional or Business Unit



Key Changes

Criteria

- ❑ Exist and operate autonomously
- ❑ Have at least 50 employees
- ❑ Own managing official fully authorized to implement 41 CFR Chapter 60
- ❑ Track and maintain personnel activity



Key Changes

Basic Principles

- ❑ Written approval from the OFCCP Director
- ❑ Agreements will be issued for a three-year term
- ❑ Consideration of conciliation agreements and substantive EEO violations
- ❑ Personnel activity in acceptable electronic formats
(MS Excel or MS Access)



Required AAP Elements

- ❑ All employees assigned to a functional or business unit must be included in its functional AAP
- ❑ FAAP must include all the components for an AAP prescribed in 41 CFR Part 60-2
- ❑ Description of the in-depth analyses of the employment processes – including personnel activity, compensation systems, and any other areas that might impact success of FAAP

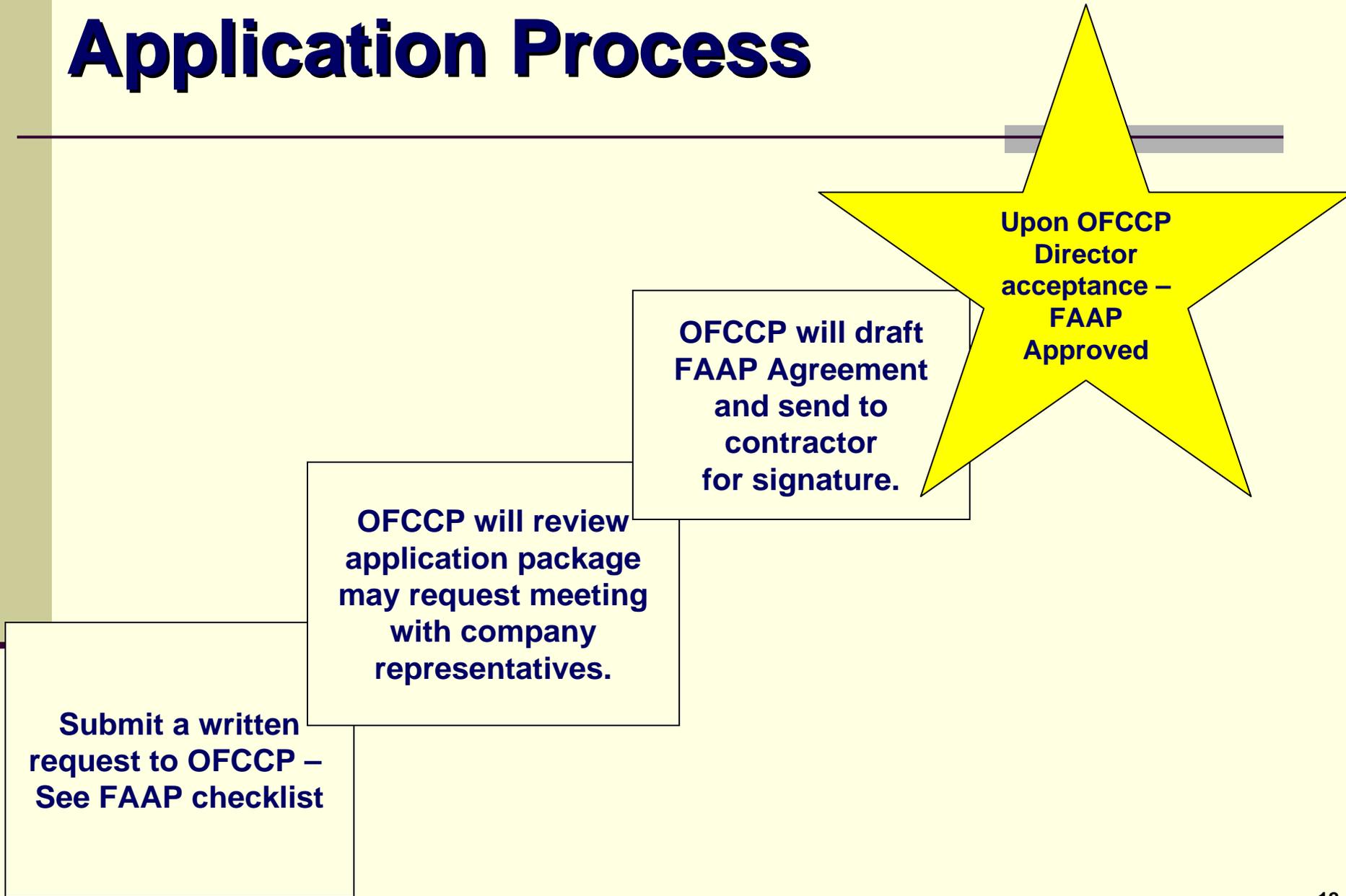
Poll Question #2

A FAAP must include all AAP components outlined at 41 CFR Part 60-2.

A. True

B. False

Application Process



Submit a written request to OFCCP – See FAAP checklist

OFCCP will review application package may request meeting with company representatives.

OFCCP will draft FAAP Agreement and send to contractor for signature.

Upon OFCCP Director acceptance – FAAP Approved

Requesting a FAAP Agreement

- ❑ Written request to OFCCP Director
- ❑ Request must be received at least 120 days prior to expiration of current corporate headquarters AAP
- ❑ Request must be made prior to notice of commencement of a compliance evaluation
- ❑ All ongoing compliance evaluations will continue throughout the approval process

Application Materials

- ❑ Contract Coverage
- ❑ Consolidated EEO-1 and Vets-100/100A Reports
- ❑ Organizational Chart
- ❑ Description of each functional unit including number of employees by race and gender
- ❑ Location of personnel records and applicant processing activities for all functional units
- ❑ Location and EEO-1 number(s) of all establishment(s), if applicable
- ❑ Proposed AAP year
- ❑ Copies of personnel policies

FAAP Conference

Discussion Items

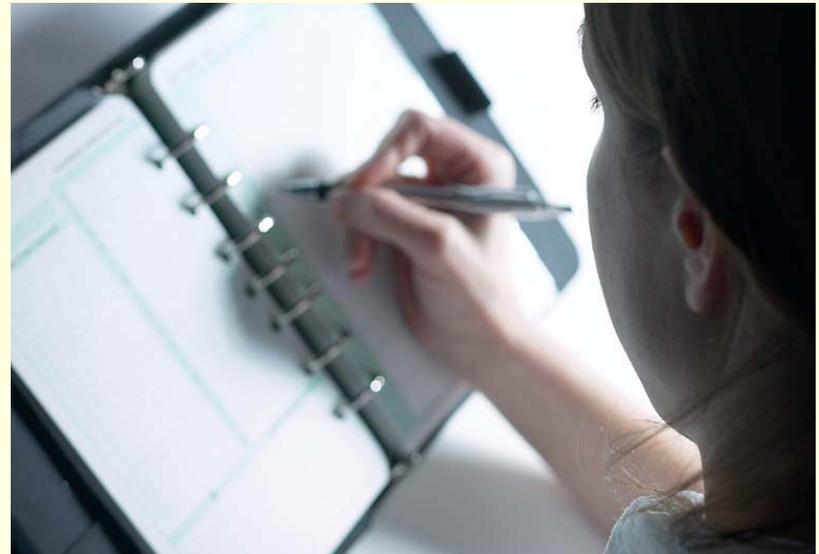
- ❑ Reporting hierarchy
- ❑ Personnel procedures related to hiring, promotion, termination, compensation, etc.
- ❑ Management of HR and EEO responsibilities
- ❑ Transition plan
- ❑ Ongoing or past EEO violations from local, state, and federal agencies
- ❑ Samples of outreach efforts

Modification Procedures

- ❑ Must notify OFCCP of significant changes in its corporate structure within 30 days
- ❑ Modification request must be approved by OFCCP Director
- ❑ Failure to notify OFCCP Director of changes to its corporate structure may result in termination of the FAAP Agreement

Annual Updates

- ❑ Notify OFCCP annually of minor FAAP changes, e.g., HR representative, address change, etc.
- ❑ Failure to update annually may result in a compliance evaluation



Renewal Procedures

- ❑ No automatic renewal; must be approved by the OFCCP Director
- ❑ Failure to submit within 120 days, will result in expiration of FAAP Agreement
- ❑ Must have two units undergo compliance evaluation to be eligible for renewal



Termination

- ❑ Any party can terminate - 90 calendar days written notice
- ❑ Upon termination, establishment-based AAPs required within 120 calendar days
- ❑ Reasons for FAAP Agreement termination
 - ❑ Substantive confirmed violations of OFCCP laws and regulations
 - ❑ Failure to accurately account for all employees and business locations

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Questions

