

Why GAO Did This Study

OFCCP is charged with ensuring that about 200,000 federal contractor establishments refrain from discrimination and take affirmative action to provide equal employment opportunities for certain protected classes of workers. GAO was asked to review OFCCP practices.

In this report, GAO (1) assessed how OFCCP conducts supply and service compliance evaluations, including the methodology, resources, and results, and (2) evaluated OFCCP outreach, assistance, and guidance efforts to assist contractors in complying with the requirements it enforces. GAO analyzed both OFCCP Information System data and a nongeneralizable sample of 43 case files and reviewed relevant federal laws, executive orders, regulations, guidance, and agency documents. GAO also interviewed a nongeneralizable sample of 24 contractors with and without experience with a compliance evaluation; managers and staff in OFCCP's headquarters and all six regional offices; and representatives of national organizations representing contractors and protected workers' interests.

What GAO Recommends

GAO is making six recommendations to DOL, 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. DOL agreed with GAO's recommendations.

View [GAO-16-750](#). For more information, contact Cindy Brown Barnes at (202) 512-7215 or brownbarnesc@gao.gov.

EQUAL EMPLOYMENT OPPORTUNITY

Strengthening Oversight Could Improve Federal Contractor Nondiscrimination Compliance

What GAO Found

Since 2010, most compliance evaluations conducted by the Department of Labor's (DOL) Office of Federal Contract Compliance Programs (OFCCP) of federal supply and service contractors identified no violations; however, the methods used may not focus evaluations on contractors posing the greatest risk. OFCCP relies on compliance evaluations to detect equal employment violations by federal contractors and conducts evaluations for about 2 percent of federal contractor establishments annually. Since 2010, about 78 percent of evaluations found no violations and about 2 percent had discrimination findings (see figure). However, when it selects contractors for evaluations, OFCCP does not use a generalizable sample that would allow for conclusions about the federal contractor population. Therefore, it does not have reasonable assurance that it is focusing its compliance efforts on those contractors with the greatest risk of noncompliance. During evaluations, OFCCP requested and reviewed documents related to contractors' equal employment efforts, including their Affirmative Action Program (AAP), which outlines contractors' compliance efforts. In 2015, close to 85 percent of evaluated contractor establishments did not submit their AAP within 30 days of OFCCP's request and were granted extensions in some cases. This suggests that OFCCP processes do not ensure that all contractors are complying with their obligation to complete and annually update an AAP.

Figure: Findings of Federal Contractor Nondiscrimination Compliance Evaluations From Fiscal Years 2010-2015



Source: Office of Federal Contract Compliance Program data. | GAO-16-750

Since 2012, OFCCP's outreach and compliance assistance activities to assist contractors and other stakeholders, such as protected workers and industry groups, have declined as the agency refocused its activities on enforcement, and some stakeholders said guidance could be clearer. Outreach activities, such as community group presentations and job fair participation, decreased more than 80 percent from 2012 to 2014. Some stakeholders told GAO that workers, applicants, and contractors may benefit from more outreach activities. OFCCP's compliance assistance activities, such as seminars, for contractors—are down 30 percent since 2012. Many contractors told GAO they do not feel comfortable contacting OFCCP for assistance and hire third party support to help comply with federal nondiscrimination and affirmative action requirements. While contractors generally found OFCCP guidance helpful, both stakeholders and contractors said the guidance could be clearer to help them understand the requirements. Without clear guidance, contractors may not be able to understand their equal employment obligations.