

DEMO COMPANY, INC.

**2009 AFFIRMATIVE
ACTION PROGRAM**

**Memphis, TN
38112**

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**EQUAL EMPLOYMENT OPPORTUNITY
AFFIRMATIVE ACTION PROGRAM
OF
DEMO COMPANY, INC.
6374 CORPORATE DRIVE
MEMPHIS, TN 38112**

JANUARY 1, 2009 - DECEMBER 31, 2009

VOLUME 2

REQUIRED PROGRAM ANALYSES

NOTICE: This material contains confidential and privileged commercial/financial information or proprietary trade secrets not generally available to the general public. Disclosure will be harmful to Demo Company, Inc.'s competitive position.

**DEMO COMPANY, INC.
Memphis, TN**

**AFFIRMATIVE ACTION PROGRAMS FOR: MINORITIES & FEMALES
(Executive Order 11246)**

VOLUME 2

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CONFIDENTIALITY

This Affirmative Action Program contains confidential information that is subject to the provisions of 18 U.S.C. S1905. Chrysler Corp. v. Brown, 441, U.S. 281, 19 FEP 475 (1979).

Copies of this Affirmative Action Program and all related appendices, documents and supporting data are made available on loan to the U.S. Government upon the request of said government on the condition that the government hold them totally confidential and not release copies to any person whatsoever. This Affirmative Action Program and its appendices and other supporting documents contain much confidential information that may reveal, directly or indirectly, Demo Company, Inc.'s plans for business or geographical expansion or contraction. Demo Company, Inc. considers this Affirmative Action Program to be exempt from disclosure, reproduction and distribution under the Freedom of Information Act upon the grounds, among others, that such materials constitute: (1) personnel files, the disclosure of which would constitute a clearly unwarranted invasion of personnel privacy, which are exempt from disclosure under 5 U.S.C. 552(b) (6); (2) confidential, commercial or financial information, which is exempt from disclosure under 5 U.S.C. 552 (b) (4); (3) investigatory records compiled for law enforcement purposes, the reproduction of which are exempt from disclosure under 5 U.S.C. 552(b) (7) (C); and as (4) matters specifically exempt from disclosure by statute, which are exempt from disclosure under 5 U.S.C. 552(b) (3). Notice is hereby given of a request pursuant to 41 C.F.R. 60-60.4(d) that portions of this AAP be kept confidential.

Specifically, Demo Company, Inc. does not consent to the release of any information whatsoever contained in this Affirmative Action Program under the Freedom of Information Act or otherwise. If the U.S. Government, or any agency or subdivision thereof, is considering a request for release of this plan under the Freedom of Information Act, request is hereby made that the government immediately notify the Chief Executive Officer of Demo Company, Inc. of any and all Freedom of Information Act requests received by the government or any other contemplated release of this plan by the government which relates to information obtained by the government from Demo Company, Inc.

Demo Company, Inc. further requests that everyone who has any contact with this Affirmative Action Program, or its supporting appendices, documents and other data, treat such information as totally confidential and that such information not be released to any person whatsoever.

Retention or disclosure of information relating to identifiable individuals may also violate the Privacy Act of 1974.

PROGRAM TERMINOLOGY

The terms "incumbency to availability analysis," "utilization," "problem area," and "adverse impact" or "goals," appearing in this Affirmative Action Program, are terms the company is required to use herein by government regulations. The criteria used in relation to these terms are those specified by the government. These terms have no independent legal or factual significance, although the company will use the terms in total good faith in connection with its Affirmative Action Program. Such usage does not necessarily signify that the company agrees that these terms are properly applied to any factual situation.

Whenever the term "placement goal" is used, the following two major principles should be applied: 1) Placement goals may not be rigid and inflexible quotas. Quotas are expressly forbidden. 2) In all employment decisions, the contractor must make selections in a nondiscriminatory manner. Placement goals do not provide the contractor with a justification to extend a preference to any individual, select an individual, or adversely affect an individual's employment status, on the basis of that person's race, color, religion, sex, or national origin (41 C.F.R. 60-2.16(e)).

SECTION 1.1

Organizational Profile (41CFR 60-2.11)

Purpose. The following reports indicate the staffing patterns and demographic profiles within each organizational unit or department of this Affirmative Action Program. This array, 'display' or report, identifies each department or organizational unit and may indicate the relationship of each unit to the other. The report profile provides an overview of the workforce at the beginning of the Affirmative Action Program year and may assist in the identification of any 'problem' areas where women or minorities could be considered 'underrepresented' or 'concentrated.'

Organizational Display. We have elected to utilize the 'Organizational Display' approach in depicting our current, active, domestic, work force, at the start of the Company's AAP year. Work force reports have been organized to list employees in the following ways, as required:

- A. All domestic employees are now included in the Affirmative Action Program of the AAP Site at which they work, as required, except:
 1. Employees who work at AAP Sites other than that of their manager (to whom they report) *will now be included in their Manager's Affirmative Action Program.*
 2. However, *employees working at locations where there are less than 50 employees will be included in a location that has an Affirmative Action Program.* This 're-location' of individuals may be accomplished under one of the following options, according to new federal regulations, effective December 13, 2000:
 - a. In the Affirmative Action Program which covers the location of the manager to whom they report;
 - b. In an Affirmative Action Program which covers just that location or establishment; or,
 - c. In an Affirmative Action Program that covers the location of the personnel function that supports the establishment.

Where, pursuant to the above, employees have been included in an Affirmative Action Program other than the one in which they are located, Organizational Unit reports have been annotated to identify the actual Work Location and AAP Analysis Location of each employee. With this in mind, the following Affirmative Action Program reports reflect the new AAP reporting requirements:

Organization Display Report

This report is an organizational display produced in a text format. It outlines all the requirements in 41 CFR 60-2.11(b)(3): name of the unit, job title/gender/race/ethnicity, total number of male & female incumbents, and the total number of males/females in each minority group. The reports also summarize for each department, the employees who work and report there, report in, and report out of the establishment. In addition, managers are counted in the department where they report. Listed below are the descriptive headers of this organizational display:

- a. Department Name
- b. Department Manager Job Title, Race/Ethnicity, and Gender
- c. Number of employees who: work and report at this AAP Site, or report into the AAP Site, or report out (to another AAP Site of their Manager).
- d. Total number of: Males and Females by sex, race, and ethnicity that reports to the department manager.

Workforce Analysis Annotation Report

This report indicates, by Department and Job Title, employees whose Work Location and AAP Location are different, according to their management reporting relationship. The report also identifies employees whose manager reporting relationship is unknown. The annotation report is only provided when the company has more than one establishment requiring an affirmative action program.

AAP Site Information:

- A. Affirmative Action Program Year – January 1, 2009 - December 31, 2009
- B. Total Number of Employees to be Analyzed at this Site: 212

Effective: January 1, 2009

Demo Company, Inc.

Focus: Site - Headquarters

ORGANIZATIONAL DISPLAY

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Department Manager Job Title*	Race/Sex	Total Number of Employees									Total	Total Minor.
			HSP	WHT	BLK	NHI	ASN	AM I	TWO+			
Department 1 at Main Offices President and CEO	(WHTM)	31	Males:	2	11			1	1	3	18	12
			Females:	1	8	1		3			13	
		1	Males:		1						1	
			Females:									
Department 2 at Hermitage Loc. Accounting Entitlement Clerk	(WHTF)	7	Males:	2	2	1					5	4
			Females:		1			1			2	
Department 3 at Lesage Loc. Accounting Entitlement Coordinator	(TWOM)	8	Males:	2	3						5	3
			Females:		2					1	3	
Department 4 at Mirage Loc. Accounting Entitlement Enginner	(WHTM)	6	Males:		1	2		1			4	5
			Females:	1						1	2	
Department 5 at Main Offices Accounting Intern Admin	(ASNF)	7	Males:		1	1					2	5
			Females:	1	1					3	5	
Department 6 at Hermitage Loc. Accounting Intern Clerk	(ASNF)	8	Males:		1						1	
			Females:		7						7	
Department 7 at Lesage Loc.		6	Males:		3			1			4	2
			Females:		1			1			2	
Department 8 at Mirage Loc. Applications Advisor Analysis	(WHTM)	6	Males:		1					1	2	2
			Females:		3					1	4	
Department 9 at Main Offices Applications Advisor Analyst	(HSPF)	6	Males:		1	2					3	3
			Females:	1	2						3	
Department 10 at Hermitage Loc. Applications Advisor Architect	(WHTM)	6	Males:		1	1					2	3
			Females:	2	2						4	
Department 11 at Lesage Loc.		7	Males:		5						5	
			Females:		2						2	

* Managers/supervisors analyzed in the departments where they report, not in the department they manage

Effective: January 1, 2009

ORGANIZATIONAL DISPLAY

Demo Company, Inc.

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Department Manager Job Title*	Race/Sex	Total Number of Employees									Total	Total Minor.
			HSP	WHT	BLK	NHI	ASN	AM I	TWO+			
Department 12 at Mirage Loc. Applications Advisor Bonus	(WHTF)	6	Males:		2			1			3	4
			Females:	1				1		1	3	
Department 13 at Main Offices Area Development Affairs	(WHTM)	6	Males:		2						2	1
			Females:		3	1					4	
Department 14 at Hermitage Loc. Area Development Management	(WHTM)	6	Males:		3			1			4	3
			Females:					2			2	
Department 15 at Lesage Loc. Area Development Group	(TWOM)	7	Males:		1					1	2	3
			Females:		3			2			5	
Department 16 at Mirage Loc. Enterprise Investigator Negotiator	(WHTM)	7	Males:		1	1				1	3	4
			Females:		2			1		1	4	
Department 17 at Main Offices Area Development Logistics	(WHTM)	6	Males:		2	1					3	4
			Females:					1		2	3	
Department 18 at Hermitage Loc. Documentation Counsel Development	(WHTM)	6	Males:		1					1	2	4
			Females:	1	1	1		1			4	
Department 19 at Lesage Loc. Business Counsel Engineer	(TWOM)	7	Males:		2						2	2
			Females:	2	3						5	
Department 20 at Mirage Loc. Accounting Intern Coordinator	(WHTF)	4	Males:		2						2	
			Females:		2						2	
Department 21 at Main Offices Business Counsel Indiv	(HSPM)	7	Males:	1	2					1	4	2
			Females:		3						3	
Department 22 at Hermitage Loc. Business Counsel Interop	(WHTM)	6	Males:		3						3	1
			Females:		2					1	3	
Department 23 at Lesage Loc. Business Counsel Knowledge	(BLKF)	7	Males:		3			2			5	4
			Females:	1				1			2	

* Managers/supervisors analyzed in the departments where they report, not in the department they manage

JOB GROUP LISTING

Effective: January 1, 2009

Demo Company, Inc.

Focus: Site - Headquarters

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EEO Category: 1.1 Executives/Sr. Level Officials and Managers

JOB GROUP JOB TITLE

Sr. Managers:

AREA DEVELOPMENT GROUP
AREA DEVELOPMENT CONTROL
AREA DEVELOPMENT MANAGEMENT
AREA DEVELOPMENT LOGISTICS
AREA DEVELOPMENT AFFAIRS
AREA DEVELOPMENT LIBRARY
PRESIDENT AND CEO

EEO Category: 2 Professionals

JOB GROUP JOB TITLE

Professionals:

FACILITIES COUNSEL BONUS
FACILITIES COUNSEL ANALYSIS
FACILITIES COUNSEL ANALYST
FACILITIES COUNSEL CAMPUS
FACILITIES COUNSEL ARCHITECT
FACILITIES COUNSEL ASSISTANT

EEO Category: 3 Technicians

JOB GROUP JOB TITLE

Technicians:

CAD EQUIPMENT SUPERVISOR
CAD EQUIPMENT CERTIFIED
CAD EQUIPMENT STORES
CAD EQUIPMENT TECHNICIAN
CAD EQUIPMENT COORD
CAD EQUIPMENT CONTRACT

EEO Category: 4 Sales Workers

JOB GROUP JOB TITLE

Sales:

ACCOUNTING ENTITLEMENT ADMIN
APPLICATIONS ADVISOR ARCHITECT
APPLICATIONS ADVISOR ANALYST
APPLICATIONS ADVISOR ANALYSIS
APPLICATIONS ADVISOR BONUS
APPLICATIONS ADVISOR ASSISTANT

JOB GROUP LISTING

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EEO Category: 5 Administrative Support Workers

JOB GROUP JOB TITLE

Admin Support:

ACCOUNTING ENTITLEMENT CLERK
ACCOUNTING INTERN CLERK
ACCOUNTING ENTITLEMENT COORDINATOR
ACCOUNTING ENTITLEMENT ENGINEER
ACCOUNTING INTERN COORDINATOR
ACCOUNTING INTERN ADMIN

EEO Category: 6 Craft Workers

JOB GROUP JOB TITLE

Craft Workers:

BUSINESS COUNSEL INTEROP
BUSINESS COUNSEL KNOWLEDGE
BUSINESS COUNSEL INDIV
BUSINESS COUNSEL ENGINEER
BUSINESS COUNSEL LEADER
BUSINESS COUNSEL EXPORT

EEO Category: 7 Operatives

JOB GROUP JOB TITLE

Operatives:

COMPLIANCE INVESTIGATOR RELEASE
COMPLIANCE INVESTIGATOR TECHNOLOGIST
COMPLIANCE INVESTIGATOR RESTRICTED
COMPLIANCE INVESTIGATOR TRAIN
COMPLIANCE INVESTIGATOR SPECLST

EEO Category: 8 Laborers and Helpers

JOB GROUP JOB TITLE

Laborers:

DOCUMENTATION COUNSEL DEVELOPMENT
DOCUMENTATION COUNSEL CONSULTANT
DOCUMENTATION COUNSEL CENTER
DOCUMENTATION COUNSEL COMPET
DOCUMENTATION COUNSEL CAMPUS

SECTION 1.3

JOB GROUP ANALYSIS BY REPORTING RELATIONSHIPS

(41 CFR 60-2.12)

The formation of job groups is an essential step in developing Federal Contractor Affirmative Action Programs. All job titles are assembled into job groups according to the following factors:

1. Similar Work Content

This means that jobs in the same job groups may have similar duties, knowledge, skills, and physical characteristics. "Availability" of minorities and women for these jobs is the same or similar.

2. Similar Pay

This means that jobs in the same job groups may have similar rates or ranges of pay. The use of a merit system is meant to provide an equitable and consistent method of pay. An organization's current salary system is considered in grouping job positions of similar work content.

3. Similar Opportunity

This means those job movements within an organization that individuals make because of interest, qualifications and business need. If an organization has formal lines of progression, this has been taken into account. An organization with no formal lines of progression relies on the interest, willingness and capabilities of individuals.

4. Size

To the extent possible, job groups consist of enough employees to make a meaningful determination regarding representation. Job groups with less than 30 employees may be grouped into EEO-1 Job Categories for meaningful analysis. The decision as to the size of the job group is not of greater importance than the purpose for establishing job groups.

5. Management Job Groups

A management position is one that has the responsibility to determine salary level and job performance for employees. Management job titles are grouped into lower, middle and upper level job groups whenever possible. Executives may have a separate job group, if appropriate.

6. Non-Management Job Groups

All non-management jobs are grouped into one of the following categories: Professional, Technician, Sales, Office & Clerical, Skilled, Semi-skilled, Service, and Laborers. (This grouping of categories is defined and used by both the EEOC and the OFCCP.)

Job Group Analysis by Reporting Relationships (continued)

The Job Group Analysis includes:

- A list of all positions by job title, salary grade, EEO-1 category, for each job group, in ascending salary grade order;
- The total number and percentage of incumbents by gender;
- The total number and percentage of incumbents by race, and ethnic group;
- The total number and percent of minorities; and
- The total number of employees.

Job Groups for the company are listed below:

- ✓ Sr. Managers
- ✓ Professionals
- ✓ Technicians
- ✓ Sales
- ✓ Admin Support
- ✓ Craft Workers
- ✓ Operatives
- ✓ Laborers
- ✓ Service

Effective: January 1, 2009
Demo Company, Inc.
 Focus: Site - Headquarters

JOB GROUP ANALYSIS by REPORTING RELATIONSHIPS
 Summary

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JOB GROUP	EEO-1 Category	Number of Employees who:				HSP	WHT	BLK	NHI	ASN	AM I	TWO+	Total	Total Minor.
		Work & rpt. here	Report IN	Report OUT										
Sr. Managers	1.1 O&M	24			Males:		8	1				1	10	6
					Females:	3	10				1	14		
Professionals	2 PROF	22			Males:	2	6	1		1		1	11	10
					Females:	2	6			2		1	11	
Technicians	3 TECH	20			Males:	2	5	1		1			9	9
					Females:	2	6			2		1	11	
Sales	4 SALES	24			Males:	2	10			1			13	9
					Females:	1	5	1		2		2	11	
Admin Support	5 ADMIN	26			Males:	1	9					1	11	8
					Females:		9			6			15	
Craft Workers	6 CW	27			Males:	1	9	2		1	1	3	17	13
					Females:		5	2		2		1	10	
Operatives	7 OPER	19			Males:	1	7	3		1			12	8
					Females:		4	1		1	1		7	
Laborers	8 LABOR	26			Males:		6	1		2		2	11	11
					Females:	3	9			1		2	15	
Service	9 SERV	24			Males:		7	2		3			12	11
					Females:		6			3		3	12	
Subtotal:		212			Males:	9	67	11		10	1	8	106	85
Total Analyzed:		212				4.2	31.6	5.2		4.7	0.5	3.8	50.0	
					Females:	11	60	4		19	1	11	106	
						5.2	28.3	1.9		9.0	0.5	5.2	50.0	

SECTION 2.1

AVAILABILITY ANALYSIS METHODOLOGY (41 CFR 60-2.14)

INTRODUCTION

DESCRIPTION OF AVAILABILITY ANALYSIS PROCESS

The following system was developed to:

- A. Clarify the meaning of each of the two factors, as specified in the regulations;
- B. Provide a logical statistical approach for deriving weighted “availability” data;
- C. Utilize the most current and appropriate sources of workforce “availability” data;
- D. Emphasize the source of job placements in deriving factor weights.

The wording of the “availability” factors is precisely as specified in Affirmative Action Program regulations, effective December 13, 2000. The statistical logic for deriving the weighted data is described in the section headed “Statistical Rationale” on the forms.

“Availability” is defined as, “an estimate of the number of qualified minorities or women available for employment in a given job group, expressed as a percentage of all qualified persons available for employment in the job group.” (41 C.F.R. 60-2.14)

An “availability” analysis was conducted to determine how many women and minorities theoretically are qualified for and interested in employment in Demo Company, Inc.’s specific positions. Such analysis was performed separately for women and for all minorities and takes into account not only how many individuals are available from the outside labor market (i.e., external “availability”), but also how many individuals could be promoted or transferred from an organization’s own workforce (i.e., “internal” availability).

Current government regulations require that, in performing “availability” analyses, the organization “consider” at least two designated factors. These factors are:

1. The percentage of minorities and women having the requisite skills in the reasonable recruitment area. The reasonable recruitment area is defined as the geographical area from which the contractor usually seeks or reasonably could seek workers to fill the company position vacancies;
2. The percentage of promotable, transferable, or trainable minorities and women within the contractor’s organization. Trainable refers to those employees within the contractor’s organization who could, with appropriate training which the contractor is reasonably able to provide, become promotable or transferable during the AAP year.

The following guidelines, as explained in 41 CFR 60-2.14 of the Federal Register, have been used in determining the ‘availability’ of minorities and women:

The contractor may not draw its reasonable recruitment area in such a way as to have the effect of excluding minorities or women. For each job group, the reasonable recruitment area must be identified, with a brief explanation of the rationale for selection of that recruitment area.

Availability Analysis (continued)

The contractor may not define the pool of promotable, transferable, and trainable employees in such a way as to have the effect of excluding minorities or women. For each job group, the pool of promotable, transferable, and trainable employees must be identified, with a brief explanation of the rationale of that pool.

Where a job group is composed of job titles with different availability rates, a composite availability figure for the job group must be calculated. The contractor must separately determine the availability for each job title within the job group and must determine the proportion of job group incumbents employed in each job title. The contractor must weight the availability for each job title by the proportion of job group incumbents employed in that job group. The sum of the weighted availability estimates for all job titles in the job group may be the composite availability for the job group.

Data sources for external availability factors have been acquired from iterations of the U.S. Census Bureau, state and local employment services, private vendors, and the Equal Employment Opportunity Commission surveys of private employers (EEO-1 Forms), for our computations.

The regulations require that organizations “consider” at least the above two factors. However, there is nothing that precludes an organization from using additional factors when they affect availability. In most instances, we have relied upon these two factors (i.e., individuals who have the required skills or who are promotable or transferable from within the organization).

NOTE: The “Availability” Analysis for Demo Company, Inc.’s job groups was performed separately for minorities and women. Incumbency to availability analysis was performed for minorities (and ethnic groups, as appropriate) and women which we understand is approved methodology.

SUMMARY

Determining availability for Demo Company, Inc. represents an estimate, at best, of minorities and women available for future employment positions. The process and figures are inherently subjective. We have, however, used the most current and appropriate data available in all instances. The final percentages, therefore, will give us a rough estimate of those who are available. The importance of skills has been stressed in our calculations and the final estimates, while not precise calculations, do reflect all relevant factors.

Effective: January 1, 2009
Demo Company, Inc.
 Focus: Site - Headquarters

AVAILABILITY ANALYSIS

Female/Minority Report

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JOB GROUP	Value Weight	RAW AVAILABILITY		WEIGHTED AVAILABILITY		RATIONALE
		FEM	MIN	FEM	MIN	
Sr. Managers	0.67	40.00 <small>8</small>	45.00 <small>9</small>	26.80	30.15	PROMOTABLE, TRAINABLE, AND TRANSFERABLE EMPLOYEES
	Internal Factor 1	<small>20</small>				
	0.33	66.67 <small>2</small>	0.00 <small>0</small>	22.00	0.00	POPULATION WITH REQUISITE SKILLS IN REASONABLE RECRUITMENT AREA
	External Factor 1	<small>3</small>				
Total Value Weight:		1.00		48.8	30.2	:Total Weighted Availability
Professionals	0.67	50.00 <small>15</small>	43.33 <small>13</small>	33.50	29.03	PROMOTABLE, TRAINABLE, AND TRANSFERABLE EMPLOYEES
	Internal Factor 1	<small>30</small>				
	0.33	0.00 <small>0</small>	100.0 <small>3</small>	0.00	33.00	POPULATION WITH REQUISITE SKILLS IN REASONABLE RECRUITMENT AREA
	External Factor 1	<small>3</small>				
Total Value Weight:		1.00		33.5	62.0	:Total Weighted Availability
Technicians	0.75	37.50 <small>6</small>	43.75 <small>7</small>	28.13	32.81	PROMOTABLE, TRAINABLE, AND TRANSFERABLE EMPLOYEES
	Internal Factor 1	<small>16</small>				
	0.25	0.00 <small>0</small>	100.0 <small>1</small>	0.00	25.00	POPULATION WITH REQUISITE SKILLS IN REASONABLE RECRUITMENT AREA
	External Factor 1	<small>1</small>				
Total Value Weight:		1.00		28.1	57.8	:Total Weighted Availability

Internal Factors: The percentage of minorities or women among those promotable, transferrable, and trainable within the contractor's organization. Trainable refers to those employees within the contractor's organization who could, with appropriate training provided by the contractor, become promotable or transferrable within the AAP year.

External Factors: The percentage of minorities or women with requisite skills in the reasonable recruitment area. The reasonable recruitment area is defined as the geographical area from which the contractor usually seeks or reasonably could seek to fill the positions in question.

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Demo Company, Inc.
 Focus: Site - Headquarters

AVAILABILITY ANALYSIS

Female/Minority Report

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JOB GROUP	Value Weight	RAW AVAILABILITY		WEIGHTED AVAILABILITY		RATIONALE
		FEM	MIN	FEM	MIN	
Sales	0.25	33.33	33.33	8.33	8.33	PROMOTABLE, TRAINABLE, AND TRANSFERABLE EMPLOYEES
		<u>2</u>	<u>2</u>			
		6				
External Factor 1	0.75	16.67	16.67	12.50	12.50	POPULATION WITH REQUISITE SKILLS IN REASONABLE RECRUITMENT AREA
		<u>1</u>	<u>1</u>			
		6				
Total Value Weight:		1.00		20.8	20.8	:Total Weighted Availability
<hr/>						
Admin Support	0.54	26.09	21.74	14.09	11.74	PROMOTABLE, TRAINABLE, AND TRANSFERABLE EMPLOYEES
		<u>6</u>	<u>5</u>			
		23				
External Factor 1	0.46	66.67	50.00	30.67	23.00	POPULATION WITH REQUISITE SKILLS IN REASONABLE RECRUITMENT AREA
		<u>4</u>	<u>3</u>			
		6				
Total Value Weight:		1.00		44.8	34.7	:Total Weighted Availability
<hr/>						
Craft Workers	0.73	48.65	27.03	35.51	19.73	PROMOTABLE, TRAINABLE, AND TRANSFERABLE EMPLOYEES
		<u>18</u>	<u>10</u>			
		37				
External Factor 1	0.27	100.0	33.33	27.00	9.00	POPULATION WITH REQUISITE SKILLS IN REASONABLE RECRUITMENT AREA
		<u>3</u>	<u>1</u>			
		3				
Total Value Weight:		1.00		62.5	28.7	:Total Weighted Availability

Internal Factors: The percentage of minorities or women among those promotable, transferrable, and trainable within the contractor's organization. Trainable refers to those employees within the contractor's organization who could, with appropriate training provided by the contractor, become promotable or transferrable within the AAP year.

External Factors: The percentage of minorities or women with requisite skills in the reasonable recruitment area. The reasonable recruitment area is defined as the geographical area from which the contractor usually seeks or reasonably could seek to fill the positions in question.

Effective: January 1, 2009
Demo Company, Inc.
 Focus: Site - Headquarters

AVAILABILITY ANALYSIS

Female/Minority Report

CONFIDENTIAL

JOB GROUP	Value Weight	RAW AVAILABILITY		WEIGHTED AVAILABILITY		RATIONALE
		FEM	MIN	FEM	MIN	
Operatives	0.60	46.67	40.00	28.00	24.00	PROMOTABLE, TRAINABLE, AND TRANSFERABLE EMPLOYEES
	Internal Factor 1	$\frac{7}{15}$	$\frac{6}{6}$			
	0.40	50.00	50.00	20.00	20.00	POPULATION WITH REQUISITE SKILLS IN REASONABLE RECRUITMENT AREA
	External Factor 1	$\frac{1}{2}$	$\frac{1}{1}$			
Total Value Weight:		1.00		48.0	44.0	:Total Weighted Availability
Laborers	0.73	52.94	32.35	38.65	23.62	PROMOTABLE, TRAINABLE, AND TRANSFERABLE EMPLOYEES
	Internal Factor 1	$\frac{18}{34}$	$\frac{11}{11}$			
	0.27	100.0	66.67	27.00	18.00	POPULATION WITH REQUISITE SKILLS IN REASONABLE RECRUITMENT AREA
	External Factor 1	$\frac{3}{3}$	$\frac{2}{2}$			
Total Value Weight:		1.00		65.6	41.6	:Total Weighted Availability
Service	0.64	50.00	21.43	32.00	13.71	PROMOTABLE, TRAINABLE, AND TRANSFERABLE EMPLOYEES
	Internal Factor 1	$\frac{14}{28}$	$\frac{6}{6}$			
	0.36	50.00	50.00	18.00	18.00	POPULATION WITH REQUISITE SKILLS IN REASONABLE RECRUITMENT AREA
	External Factor 1	$\frac{2}{4}$	$\frac{2}{2}$			
Total Value Weight:		1.00		50.0	31.7	:Total Weighted Availability

Internal Factors: The percentage of minorities or women among those promotable, transferrable, and trainable within the contractor's organization. Trainable refers to those employees within the contractor's organization who could, with appropriate training provided by the contractor, become promotable or transferrable within the AAP year.

External Factors: The percentage of minorities or women with requisite skills in the reasonable recruitment area. The reasonable recruitment area is defined as the geographical area from which the contractor usually seeks or reasonably could seek to fill the positions in question.

SECTION 3.1

COMPARING INCUMBENCY TO AVAILABILITY (41 CFR 60-2.15)

The following analysis is a comparison of the representation of minorities and women in the Company to their relative availability in the work force.

The regulations (41 CFR 260-2.15) do not provide detail guidance for applying the “less than would reasonably be expected given their availability percentage in that particular job group.” However in the preamble of the November 13, 2000 Final Rules, page 68033, it states that OFCCP traditionally has permitted contractors to identify “Incumbency to Availability (aka: utilization)” using a variety of methods, including: 1) Any Difference Rule- whether any difference exists between the availability of minorities or women for employment in a job group and the number of such persons actually employed in the job group; 2) Whole Person Rule- whether the difference between availability and the actual employment of minorities or women equals one person or more; 3) 80% Rule- whether actual employment of minorities or women is less than 80 percent of their availability; and 4) “Two Standard Deviations” Analysis- whether the difference between availability and the actual employment of minorities or women exceeds the two standard deviation test of statistical significance.

For the purpose of this Program, the “80%” rule is applied.

SECTION 4

PLACEMENT GOALS (41 CFR 60-2.16)

The following establishes Affirmative Action Program goals for Demo Company, Inc. for 2009.

In Section III of this Volume, the representation of minorities and women has been compared to their relative 'availability' in the civilian work force. While many rules may be applied when analyzing 'Incumbency to Availability' (aka: Utilization) for minorities and women for the purpose of this Affirmative Action Plan, the '80% Rule' has been applied. This rule states that whenever there is 'any difference' between a comparison of the actual representation of women and minorities in the Company's workforce to their relative 'Availability', and that difference is less than 80% of the sum of the External and Internal Availability estimates, an Affirmative Action Goal will be established, equal to the full 'Availability', for that particular job group. In setting these goals, the following was considered:

- (a) **Level of Goals:** Goals are established for underutilized job groups equal to "availability," and based on future opportunities.
- (b) **Goals by Specific Group:** As appropriate, separate goals may be established for a specific minority group in a particular job group, if there is a substantial disparity in the utilization of that group.
- (c) **Goal Setting:** The establishment of goals is based on staffing plans going forward for the Company. These plans take into consideration the firm's business projections. It is understood that any improvement in underutilized job groups will be a function of future opportunities.

Goals for Demo Company, Inc. are not expressed as rigid and inflexible goals, such as quotas, which must be met. Goals are considered to be "reasonable, attainable targets that are attainable by applying every good faith effort to make all aspects of the entire affirmative action program work."

As required by Executive Order 11246, Affirmative Action Programs for Minorities & Females, the company will ensure that all applicants and employees are treated without regard to their race, color, religion, sex, or national origin, for purpose of employment.

**PERCENTAGE ANNUAL
PLACEMENT RATE GOALS**
FEMALE AND MINORITY

80% Rule

CONFIDENTIAL

Effective: January 1, 2009

Demo Company, Inc.

Focus: Site - Headquarters

Job Group Name	Identified Group	Percentage Annual Placement Rate
Professionals	MINORITIES	62.0%
Technicians	MINORITIES	57.8%
Craft Workers	FEMALES	62.5%
Operatives	FEMALES	48.0%

Produced by AAPBase 4.7™

Percentage Annual Placement Rate Goals: Percentage goals are referred to as "Program Goals," and as such, apply to all organizational units where there are opportunities.

SECTION 5.1

IDENTIFICATION OF “PROBLEM” AREAS

The following is an analysis of the composition of the workforce and personnel practices for Demo Company, Inc. Our analysis uses the following methodologies:

- A review of the results of personnel practices during the prior twelve month period to determine if minorities and women are applying and were selected in Company job groups;
- An analysis of the prior year’s Affirmative Action Plan Goals and efforts to achieve them;
- An analysis and determination of the representation of minorities and women as compared to their ‘availability’ by Company job group;
- The establishment of AAP goals, as appropriate; and
- A compensation analysis completed for internal auditing.

Review of Personnel Practices: Company statistics regarding hires, promotions and terminations are gathered and monitored at least annually to update the Affirmative Action Program. This data is analyzed using the ‘80% Rule,’ for hires and promotions, to determine if minorities and women are selected at a rate of 80% or more of that for non-minorities and men. Where any potential adverse impact is indicated, Company personnel will investigate to ensure there is no discrimination against protected group members. In the instance of terminations, however, the analysis is performed which indicates if minorities and women are leaving at a rate higher than 120% of the rate for non-minorities and men. Any areas of negative impact will be investigated by Company personnel.

Analysis of the Prior Year’s Affirmative Action Plan Goals and Efforts: At the end of each AAP year, the Company reviews its Goal performance, indicating the total number of ‘opportunities’ in each goal area, by job group, race and sex. This information can be found in Section 5.2, of this Volume. Areas where goals were not fully attained are addressed in the Good Faith Efforts Section of this AAP.

Workforce Composition: The representation of minorities and women in the workforce has been analyzed by race and sex in the following Company Job Groups:

- ✓ Sr. Managers
- ✓ Professionals
- ✓ Technicians
- ✓ Sales
- ✓ Admin Support
- ✓ Craft Workers
- ✓ Operatives
- ✓ Laborers
- ✓ Service

Organizational Analysis: At the start of the AAP year, an analysis is performed, looking at the representation of total minorities and each minority group, and for women, by major organizational unit. For Demo Company, Inc., an analysis has been prepared indicating the representation of minorities and women in each organization as compared to the Company’s overall representation of these groups. Where the representation of total minorities and/or women is below that expected, Company managers will be informed of their organization’s status and strategies developed to improve the representation of minorities and/or women, wherever and whenever there are opportunities. In performing the analysis, the Company does not admit to illegal bias of any kind with regard to the placement of minorities and/or women. The analysis is used for program planning purposes.

”Placement Goals” for Minorities, Women, and Minority Subgroups: Using the 80% Rule, placement goals were primarily identified for women and minorities. Placement goals may be identified for a particular minority group when a ‘substantial disparity’ is indicated.

Job Group	Group	Representation	Availability
Craft Workers	Females	37.0%	62.5%
Operatives	Females	36.8%	48.0%
Professionals	Minorities	45.5%	62.0%
Technicians	Minorities	45.0%	57.8%

Affirmative Action Program Goals: AAP Goals have been established for the coming year, based upon the comparison of incumbency to ‘availability’ of minorities and women, by job group. Goals are based upon staffing plans for the current year. Goals are not rigid and inflexible, but are considered to be ‘reasonable, attainable targets which can be achieved by applying every good faith effort.

Other Personnel Benefits and Practices Analyzed: The following areas within the Company are continually analyzed for their capability to support the Affirmative Action Program: Applicant Flow, Transfer and Promotion Practices, Benefit Programs, Training Programs, Job Postings, and Terminations.

Demo Company, Inc. expresses its commitment to equal employment opportunity through its support of the affirmative action program.

SECTION 5.2

2009 AFFIRMATIVE ACTION PROGRAM

RESULT-ORIENTED PROGRAMS

(41 CFR 60-2.17(c))

Demo Company, Inc. has analyzed and identified the problem areas. As stated in 41 CFR 60-2.17 (c), the company must develop and execute action-oriented programs designed to correct any problem areas identified pursuant to 41 CFR 60-2.17 (b) and to attain established goals and objectives. In the following pages are exhibits of our good faith efforts that were implemented during the past year. In addition, Demo Company, Inc. will implement the following programs to address the new goals and identified problems areas for current Affirmative Action Program year:

Craft Workers Females	
Operatives Females	
Professionals Minorities	
Technicians Minorities	

APPLICANT SUMMARY LISTING

Period: 01/01/2008 to 12/31/2008

Demo Company, Inc.

Focus: Site - Headquarters

CONFIDENTIAL

JOB GROUP	Total Number of Applicants		RACE										Total Applicants Analyzed				
			HSP	WHT	BLK	NHI	ASN	AMI	TWO+	Race Unknown	Total	%	Male	Female	Non-Minority	Minority	
Sr. Managers	21	Males	1	8	1		2					12	57%	12	9	13	8
		Females	1	5	1				2			9	43%	57%	43%	62%	38%
		Gender Unknown															
Professionals	60	Males	5	15	1		8			1		30	50%	30	30	32	28
		Females	2	17	2	1	5		3			30	50%	50%	50%	53%	47%
		Gender Unknown															
Technicians	64	Males	2	22	3		8			3		38	59%	38	26	39	25
		Females	2	17	3		2	1	1			26	41%	59%	41%	61%	39%
		Gender Unknown															
Sales	118	Males	6	34	8		15			1		64	54%	64	54	66	52
		Females	6	32	5	1	6		4			54	46%	54%	46%	56%	44%
		Gender Unknown															
Admin Support	35	Males	1	11			3	1				16	46%	16	19	18	17
		Females	5	7			6		1			19	54%	46%	54%	51%	49%
		Gender Unknown															
Craft Workers	69	Males	1	16	2		7			2		28	41%	28	41	39	30
		Females	4	23	2	2	2	1	7			41	59%	41%	59%	57%	43%
		Gender Unknown															
Operatives	31	Males	1	5	2		2			2		12	39%	12	19	15	16
		Females	1	10			4		4			19	61%	39%	61%	48%	52%
		Gender Unknown															

APPLICANT SUMMARY LISTING

Period: 01/01/2008 to 12/31/2008

Demo Company, Inc.

CONFIDENTIAL

Focus: Site - Headquarters

JOB GROUP	Total Number of Applicants		RACE									Total Applicants Analyzed				
			HSP	WHT	BLK	NHI	ASN	AMI	TWO+	Race Unknown	Total	%	Male	Female	Non-Minority	Minority
Laborers	65	Males	4	14	5	1	6		3		33	51	33	32	32	33
		Females	5	18	3		3		3		32	49	51%	49%	49%	51%
		Gender Unknown														
Service	29	Males	2	6	1		4		1		14	48	14	15	18	11
		Females		12			1		2		15	52	48%	52%	62%	38%
		Gender Unknown														
Totals and Percentages:	492	Males	23	131	23	1	55	1	13		247					
		%	4.7	26.6	4.7	0.2	11.2	0.2	2.6		50.2					
		Females	26	141	16	4	29	2	27		245		247	245	272	220
		%	5.3	28.7	3.3	0.8	5.9	0.4	5.5	49.8		50.2%	49.8%	55.3%	44.7%	
		Gender Unknown														
		%														

Period: 01/01/2008 to 12/31/2008

Demo Company, Inc.

Focus: Site - Headquarters

HIRE SUMMARY LISTING

CONFIDENTIAL

JOB GROUP	Total Number of Hires		HSP	WHT	BLK	NHI	ASN	AMI	TWO+	Total	%	Total Minorities	
												#	%
Sr. Managers	3	Males:		1						1	33		
		Females:		2							2	67	
Professionals	3	Males:	1		1				1	3	100	3	100
		Females:											
Technicians	1	Males:			1					1	100	1	100
		Females:											
Sales	6	Males:	1	4						5	83	1	17
		Females:		1						1	17		
Admin Support	6	Males:		2						2	33	3	50
		Females:		1			3			4	67		
Craft Workers	3	Males:										1	33
		Females:		2					1	3	100		
Operatives	2	Males:			1					1	50	1	50
		Females:		1						1	50		
Laborers	3	Males:										2	67
		Females:	1	1					1	3	100		
Service	4	Males:		1			1			2	50	2	50
		Females:		1					1	2	50		
Totals and Percentages:		31	Males: 2 6.5	8 25.8	3 9.7		1 3.2		1 3.2	15 48.4		14 45.2	
			Females: 1 3.2	9 29.0			3 9.7		3 9.7	16 51.6			

Period: 01/01/2008 to 12/31/2008

Demo Company, Inc.

Focus: Site - Headquarters

PROMOTION SUMMARY LISTING

CONFIDENTIAL

JOB GROUP	Total Number of Promotions										Total Minorities		
		HSP	WHT	BLK	NHI	ASN	AMI	TWO+	Total	%	#	%	
Sr. Managers	6	Males:		2	1				1	4	67	2	33
		Females:		2						2	33		
Professionals	6	Males:		1						1	17	2	33
		Females:		3			2			5	83		
Technicians	3	Males:		1	1					2	67	1	33
		Females:		1						1	33		
Sales	2	Males:	1							1	50	2	100
		Females:					1			1	50		
Admin Support	7	Males:	1	2					1	4	57	3	43
		Females:		2			1			3	43		
Craft Workers	8	Males:		2	1					3	38	3	38
		Females:		3			2			5	63		
Operatives	3	Males:			2			1		3	100	3	100
		Females:											
Laborers	8	Males:		3				1		5	63	4	50
		Females:	1	1					1	3	38		
Service	7	Males:		1	2					3	43	3	43
		Females:		3			1			4	57		
Totals and Percentages:		50	Males:	2 4.0	12 24.0	7 14.0		2 4.0		3 6.0	26 52.0	23	46.0
			Females:	1 2.0	15 30.0		7 14.0		1 2.0	24 48.0			

Period: 01/01/2008 to 12/31/2008

Demo Company, Inc.

Focus: Site - Headquarters

TERMINATION SUMMARY LISTING

(Voluntary)

CONFIDENTIAL

JOB GROUP	Total Number of Terminations		HSP	WHT	BLK	NHI	ASN	AMI	TWO+	Total	%	Total Minorities	
												#	%
Admin Support	1	Males:							1	1	100	1	100
		Females:											
Craft Workers	1	Males:		1						1	100		
		Females:											
Totals and Percentages:	2	Males:		1 50.0					1 50.0	2 100.0		1	50.0
		Females:											

APPENDIX A.3

RESPONSE TO PARAGRAPH 11

Annualized Compensation Analysis will be performed upon notice of a compliance evaluation by the Department of Labor's Office of Federal Contract Compliance Programs (OFCCP).

APPENDIX A.4

EEO-1 REPORT

Please insert the most current EEO-1 report for this AAP site. A copy of the EEO-1 report can be downloaded from the Equal Employment Opportunity Commission (EEOC) website at www.eeoc.gov. A login ID and password are required.