



December 28, 2009

The OFCCP will send another round of Corporate Scheduling Announcement Letters (CSALs) for Fiscal Year 2010. The Agency is mailing the CSALs the week of November 30 to contractors with more than one establishment on the OFCCP's FY 2010 audit scheduling list. The CSALs will alert contractors which of their locations are slated for audit in FY 2010.

As in the past, the Agency in most cases will address the CSALs generically to a contractor's "Chief Executive Officer" (or other designated point of contact). The text of the revised FY 2010 CSAL has been posted on the OFCCP's website, at http://www.dol.gov/ofccp/regs/compliance/CSAL_Letter.htm and http://www.dol.gov/ofccp/regs/compliance/CSAL_Letter.pdf.

One significant change within the new round of CSALs is *removal of the 25-audit limit on the number of new compliance evaluations of a contractor's facilities that the OFCCP can conduct during a single fiscal year.*

Excluded Facilities

Facilities that do not appear on the list issued with a CSAL but may be subject to audit include those that are: selected because of a contract award notice, the target of a directed review, the subject of a Corporate Management Compliance Evaluation (CMCE), currently undergoing a compliance review, covered by a Functional Affirmative Action Plan (FAAP) agreement, or identified through American Recovery and Reinvestment Act of 2009 (ARRA) initiatives. Contractor facilities that have been the subject of a compliance review within the past two years or have received the Secretary of Labor's Opportunity Award or an Exemplary Voluntary Efforts Award within the last three years also should not appear on the list and are excluded from facilities eligible for audit.

What Should You Do Now?

- Corporate human resources and in-house counsel should immediately advise the President's or Chief Executive Officer's office to be on the look-out for any letters from OFCCP or U.S. Department of Labor so the employer can immediately begin to focus its resources on any impending compliance reviews.
- If you are a HR Allen Consulting Services client and receive a CSAL, contact the affirmative action consultant with whom you regularly work to discuss the strategic steps that should be taken now to prepare for the likely compliance reviews.

- Receipt of the CSAL provides a crucial opportunity to review closely your affirmative action plans for those facilities listed *before* OFCCP initiates compliance audits. Employers should pay particular attention to adverse impact trends and pay disparities. Investigating such trends now will allow employers to address potential vulnerabilities prior to OFCCP involvement. As many of you know, OFCCP has been investigating adverse impact and pay disparities aggressively, including those affecting men, non-minorities, and specific minority sub-groups. These probes have led to substantial monetary settlements.

HR Allen Consulting Services consultants are available to discuss this OFCCP development and affirmative action compliance in general.