



January 20, 2023

Tina T. Williams,
Director, Division of Policy and Program Development
Office of Federal Contract Compliance Programs
U.S. Department of Labor
200 Constitution Avenue NW, Room C-3325
Washington, DC 20210

**Re: Comments on Supply and Service Program; Proposed Approval of
Information Collection Requirements; FR Doc. 2022-25311**

Dear Ms. Williams:

Women Employed appreciates the opportunity to comment on the Office of Federal Contract Compliance Programs' (OFCCP) request for reauthorization of its compliance review scheduling letter.¹ We wholeheartedly support the proposal that the scheduling letter collect more detailed and complete information at the outset of a compliance review. This change is essential for OFCCP to conduct more efficient, consistent, and effective reviews of federal contractors' compliance with nondiscrimination and equal employment opportunity requirements. As Director Yang has concluded, enhancing the effectiveness of these compliance reviews will "positively impact more workers" through increased contractor compliance.²

A significant portion of the American workers stand to benefit from enhanced contractor compliance. OFCCP has jurisdiction over approximately 120,000 contractor establishments and 25,000 firms, which employ approximately 20% of the American workforce. And with the new historic federal investments for infrastructure and economic recovery, many more businesses will become federal contractors subject to OFCCP oversight. Enhancing OFCCP's ability to make good jobs free from discrimination available to all is especially critical.

Women Employed (WE) is a non-profit advocacy organization whose mission is to improve the economic status of women and remove barriers to economic equity. Since

¹ OMB Control Number 1250-0003.

² Office of Federal Contract Compliance Programs, Directive 2022-02, Effective Compliance Evaluations and Enforcement, <https://www.dol.gov/agencies/ofccp/directives/2022-02>.

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1973, we have pursued equity for women in the workforce by effecting policy change, expanding access to educational opportunities, and advocating for fair and inclusive workplaces so that all women, families, and communities thrive. WE particularly focuses on women in low-paid jobs and women of color who often experience workplace discrimination. Women Employed is submitting these comments based on our years of advocacy and engagement with issues surrounding pay equity, equal opportunity, and workplace protections, including enforcement, particularly for women and women and color.

Despite longstanding protections under the law, working people across the United States continue to experience employment discrimination that robs them of employment opportunities, economic security, and dignity on the job.³ The cost of discrimination for people of color, women, LGBTQ+ people, people with disabilities, veterans, and other marginalized and multi-marginalized groups is significant. Workplace discrimination can prevent access to a job or a promotion, cause a hostile working environment, or lower pay — all because of who you are. These unlawful practices inhibit economic security and opportunity and help to perpetuate disparities in health outcomes, housing, education, and more.

In particular, women experience a persistent wage gap that can rob her of economic stability, making only 77 cents for every dollar a man makes. Women of color experience an even greater wage gap due to the intersection of gender and race, as low as 54 cents for Latinas. The gap grows wider as women move ahead in their careers, hampering the ability to build a nest egg for retirement, and challenging a family's financial future. This wage gap persists not only because of workplace discrimination, but also occupational segregation. This occupational segregation is particularly stark for women of color, who are overrepresented in the most low-paid jobs in our economy.

When companies have the privilege of contracting with the federal government, they not only must refrain from employment discrimination, but also must agree to take affirmative steps to promote employment opportunities for individuals who are

³ See, e.g., U.S. Equal Employment Opportunity Commission, *Enforcement and Litigation Statistics*, <https://www.eeoc.gov/data/enforcement-and-litigation-statistics-0>; Office of Federal Contract Compliance Programs, *OFCCP By the Numbers*, available at <https://www.dol.gov/agencies/ofccp/about/data/accomplishments>.

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members of certain underrepresented groups.⁴ These affirmative steps include proactively monitoring workplace equal employment opportunity and pay equity, making a meaningful effort to recruit qualified applicants from groups who are underrepresented in their workplaces, and breaking down barriers to equal opportunity for veterans and individuals with disabilities. Federal contractors subject to these requirements have better records when it comes to equal employment opportunity than employers who are not federal contractors.⁵ OFCCP oversees and enforces compliance with these nondiscrimination and affirmative action requirements.

OFCCP is unique in being able to conduct systemic compliance reviews as part of its enforcement authority. Through compliance reviews, OFCCP can proactively identify, investigate, and remedy patterns of discrimination, even in the absence of an individual complaint, and can evaluate contractors' compliance with affirmative action obligations. The scheduling letter, which OFCCP now proposes to revise, is the document OFCCP uses to notify contractors that they have been selected to undergo a compliance review and identifies the initial information those contractors must provide.

OFCCP proposes that its scheduling letter request more detailed and specific information from contractors at the outset of compliance reviews. Updating the scheduling letter to obtain critical information at the beginning of the compliance review will support OFCCP's goal of strengthening the effectiveness of its compliance evaluations, promoting greater contractor compliance, and ultimately benefiting more workers. It will also encourage employers to self audit the employment systems

⁴ OFCCP enforces Executive Order 11246, which prohibits federal contractors from engaging in employment discrimination on the basis of race, color, religion, sex, sexual orientation, gender identity, or national origin; Section 503 of the Rehabilitation Act of 1973, which prohibits employment discrimination against people with disabilities; and the Vietnam Era Veterans Readjustment Assistance Act (VEVRAA), which protects veterans. These authorities also impose certain affirmative action obligations on federal contractors to ensure equal employment opportunities.

⁵ Conrad Miller, *The Persistent Effect of Temporary Affirmative Action*, 9 Am. Econ. J.: Applied Econ., 152 (2017), <https://www.aeaweb.org/articles?id=10.1257/app.20160121>, (affirmative action requirements of EO 1126 significantly increases an establishment's black share of employees, with the share continuing to increase over time); Fidan Kurtulus, *Affirmative Action and the Occupational Advancement of Minorities and Women During 1973–2003*, 51 Indus. Rels.: J. of Econ. and Soc'y 213, (2012), <https://doi.org/10.1111/j.1468-232X.2012.00675.x>, (more women and minorities in higher skill jobs at federal contractors compared with non-contractors between 1973 and 2003).



referenced in OFCCP's updated requests (e.g., technology-based employment systems) to identify potential EEO issues *before* they are selected for a compliance review by the OFCCP. The new information would include:

- Existing employment policies concerning equal opportunity, including anti-harassment policies, EEO complaint procedures, and employment agreements, such as arbitration agreements, that impact employees' equal opportunity rights and complaint processes. Having this information at the outset is essential for OFCCP to understand the contractors' systems and proceed with an informed and targeted review.
- More details about the number of qualified people of color and women available for employment in each job group, enhancing OFCCP's ability to evaluate contractors' affirmative action programs. It is important that this information is specific as possible by position levels, as often a preponderance of women and people of color in lower levels of an organization can mask their low representation in the upper levels.
- A list of any programs the contractor developed to respond to problem areas identified in the contractor's required analyses of their employment process, enabling OFCCP to better tailor its review process.
- More complete information on compensation practices, including documentation of contractors' compensation analyses and two years of compensation data, rather than one.
- Additional information about the contractor's outreach and recruitment efforts to individuals with disabilities and veterans. This level of detail will require more than the current cursory summaries from the contractors, making OFCCP analysis more informed.
- More detailed information about promotions and terminations, including information necessary to make the review meaningful, such as whether the promotions were competitive and the reason for termination.
- New information on the contractor's use of technology-based employment selection procedures, including artificial intelligence, algorithms, and

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automated systems, made essential given the documented potential for bias in such systems.⁶

- For post-secondary institutions and contractors with "campus-like settings" (e.g. hospitals or information technology companies), the relevant information for all AAPs for the campus as a whole. This clarification ensures that OFCCP will have complete and holistic information regarding the campus and enhances the efficiency of the review.

If authorized as proposed, these changes will speed the pace of reviews, conserve scarce agency resources, provide additional clarity for employers as to their obligations, and enable OFCCP to more quickly and accurately identify both potential problem areas and successes.

OFCCP has tailored the proposed changes to the scheduling letter to minimize the additional burden on contractors. The new scheduling letter would reduce contractor uncertainty over what documentation is sufficient for the review and enhance review efficiency for both the contractor and OFCCP. And it would have minimal impact on small businesses, given limited recordkeeping and reporting requirements for contractors with relatively few employees.

Accordingly, we enthusiastically support OFCCP's requested authorization of the enhanced compliance review scheduling letter and encourage the agency to finalize it without change. Women Employed believes this change will strengthen OFCCP's compliance reviews and particularly benefit women and women of color who are most vulnerable to workplace discrimination.

Sincerely,

Corinne Kodama, Senior Research Analyst
Women Employed

⁶ Manish Raghavan & Solon Barocas, *Challenges for mitigating bias in algorithmic hiring*, Brookings (Dec. 6, 2019), <https://www.brookings.edu/research/challenges-for-mitigating-bias-in-algorithmic-hiring/> ("Left unchecked, algorithms can perpetuate the same biases and discrimination present in existing hiring practices."); Miranda Bogen, *All the Ways Hiring Algorithms Can Introduce Bias*, Harvard Business Review (May 6, 2019), <https://hbr.org/2019/05/all-the-ways-hiring-algorithms-can-introduce-bias>.

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