

May 17, 2023

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

Re: Comments on the Proposed Changes to the Supply and Service Program Scheduling Letter – OMB Number 1250-0003

Dear Ms. Williams,

HR Policy Association ("HR Policy" or "Association") welcomes the opportunity to provide comments to the Office of Federal Contract Compliance Programs (OFCCP) regarding the agency's final changes to the supply and service program information collection requirements that were published in the Federal Register on April 17, 2023. We are particularly concerned about OFCCP's repeated failure to explain why it must collect all of this information *at the initial stage* of OFCCP's audits, which will waste agency and covered contractor resources.

HR Policy Association is a public policy advocacy organization representing the most senior human resources officers in more than 375 of the largest companies doing business in the United States. Collectively, our member companies employ more than 10 million employees in the United States. Over two-thirds of the Association's member companies are federal contractors and are subject to the agency's scheduling letter. The Association's member companies are committed to fostering diverse and inclusive workplaces and fully complying with OFCCP's requirements for federal contractors.

As an initial matter, HR Policy does not dispute that OFCCP has the authority to request and inspect records and information relevant to compliance. Our only question for OMB is: Under the Paperwork Reduction Act, when is the best time to collect the information so that it minimizes the reporting burden on federal contractors? Is it at the scheduling letter stage of an audit or at some point later in the process? Here, the Association respectfully submits OFCCP has not fully justified its reporting requirements in its supporting statement.²

For example, in OFCCP's supporting statement it states, often without providing further justification, that:

• E.O. 11246 and OFCCP's regulations provide that the agency can request all records relevant to determining a contractor's compliance. (Pg 22 and 24)

¹ 88 Fed. Reg. 23472.

² Available at: SS ICR 30-day Supporting Statement 1250-0003 4.10.23.docx.

- As such, requesting and reviewing contractors' policies and practices for making selection decisions is within the scope of OFCCP's authority, and is an integral part of reviewing contractors' compliance. Pg 24
- As such, requesting and reviewing information on contractors' compensation practices is within the scope of OFCCP's authority. Pg 28
- As such, requesting and reviewing information on contractors' compensation practices is within the scope of OFCCP's authority. Pg 31

As the Association noted in its previous comments, the data provided by contractors under the current scheduling letter already enables OFCCP to conduct sufficient analyses to determine if additional data needs to be collected. Compliance reviews generally proceed in three steps: 1) a desk audit, 2) an on-site review, and 3) an off-site analysis.³ The current triage process, along with its supplemental data requests, enables OFCCP to most efficiently utilize its resources while reducing the paperwork burden on compliant contractors. However, the significant expansion of the scheduling letter effectively adds the burden of what are currently supplemental data requests to the scheduling letter for *every* contractor at the initial stage of a compliance review. By OFCCP's own estimates, the final changes to the scheduling letter will increase the burden hour estimate by 34% to 37.5 hours.

The final scheduling letter contravenes OFCCP's longstanding policy of focusing its resources on the most likely violators while simultaneously increasing the burden on compliant contractors. Indeed, most compliance reviews would become bloated with unnecessary and unused data—something that is wholly inconsistent with the Paperwork Reduction Act.

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We urge OMB and OFCCP to reconsider the changes the agency is making to its scheduling letter. We are happy to provide any additional information you may need or to answer any questions you may have.

Sincerely,

Vice President, Health & Employment Policy

HR Policy Association

³ 41 CFR 60-1.20(a)(1).