



Functional Affirmative Action Program – “FAAP”

Presented by the Office of Federal
Contract Compliance Programs

Functional Affirmative Action Programs

- Directive
- Current Status
- Procedures
- FAAP Agreement
- Compliance Evaluations
- Concluding Comments

Directive – March 2002



■ BACKGROUND

- New regulation at 41 CFR 60-2.1(d)(4)
- Directive signed March 21, 2002

■ PURPOSE

- To establish the procedures for processing contractor requests for agreements to develop affirmative action programs based on functional or business units.

Functional AAP Benefits



- Provides alternative approach to preparing AAPS
- Permits contractors to develop their AAPs in a way that reflects their business practices.

Current Status



- More than 175 requests received
- 125 executed Agreements
 - 1500 AAPs
 - 1.8 million workers
- What about the other 50?
 - Request withdrawn
 - Mergers & Acquisitions

Functional AAP Components




- Organizational Profile
- Job group analysis
- Availability determination
- Comparison of incumbency to availability
- Placement goals
- Etc.

Initiating a FAAP Agreement



- Contractor submits request for FAAP Agreement to Deputy Assistant Secretary
- FAAP Unit contacts contractor
- Discussion and Negotiation
- Agreement prepared

Contractor's Request



- Explains why an Agreement would be useful
- Identifies the corporate contact person

FAAP Unit Contacts

Contractor

- Outlines information needed
- Reviews materials submitted
- Schedules meeting or conference call
- Works with contractor throughout the process

Discussion and Negotiation

- Presentation by company
- Discussion between FAAP Unit and company
- Follow-up communication outlining any additional information needed

Agreement Prepared



- FAAP Unit prepares Agreement and Addendum(a) for Deputy Assistant Secretary review and approval
- Upon approval
 - Agreement sent to company for review and signature

Goals



- To understand the company's business structure and functional units
- To understand why a FAAP Agreement makes good sense
- To identify what, if any, additional information is needed to prepare the Agreement

Agreement Components



- Agreement
 - Provisions common to all agreements
- Addendum A
 - Identifies functional AAP units
- Addendum B
 - Identifies establishment AAP units, if any

Common Provisions



- Purpose
- Effective Date, Renewal and Termination
- Modification and Amendments
- Notices
- Confidentiality and Freedom of Information Act
- Compliance Evaluation Procedures

Addendum A



- Identifies functional AAP units
- Includes brief description of each functional or business unit
- Identifies managing official
- Identifies corporate contact person
- Number of employees

Addendum B



- If needed...
- Identifies establishments with establishment based AAPs
- Location
- EEO-1 number
- Indicates if there are any functional employees at the establishment

Finalizing the Agreement



- CST recommends approval to Deputy Assistant Secretary
- Company returns signed Agreement to Deputy Assistant Secretary
- Deputy Assistant Secretary signs the Agreement
- Effective on the date of the Deputy Assistant Secretary's signature
- Copy of executed Agreement sent to the company

What We've Learned



- Thorough preparation is important
- Negotiations may result in a FAAP structure that differs from the initial request
- Company benefit -- AAP structure reexamined

FAAP Compliance Evaluations



- Separate selection system for FAAPS
- Selection system evolving
 - Pilot Project - FY 2004
 - | Applicability of Standard Procedures
 - Round 1 – FY 2005
 - | Identified new processes
 - | Initiated field involvement
 - Round 2 – FY 2006
 - | Expand the number of reviews
 - | Expand field involvement

Evaluation Procedures



- Evaluations generally follow OFCCPs operating procedures
- Tiered review process used
- Regional assignments based on FAAP structure
- Requires flexibility by OFCCP and contractor

For More Information...



- To request a FAAP Agreement
 - Director, Division of Program Operations, OFCCP
- For general information and to discuss the possibility of developing an Agreement
 - Director, Functional AAP Unit, Division of Program Operations, OFCCP
 - Telephone – 202-693-0106



Questions???