

DEPARTMENT OF LABOR, OFCCP
OFCCP RECORDKEEPING and REPORTING REQUIREMENTS—38 U.S.C. 4212,
VIETNAM ERA VETERANS' READJUSTMENT ASSISTANCE ACT of 1974, as
AMENDED.
CONTROL NUMBER: 1250-0004

SUPPORTING STATEMENT A—JUSTIFICATION

The Office of Federal Contract Compliance Programs (OFCCP) is responsible for administering three equal opportunity mandates that prohibit employment discrimination based on race, sex, color, national origin, religion, disability, or status as a protected veteran by federal contractors, and require affirmative action to provide equal employment opportunity:

- Executive Order 11246, as amended (EO 11246),¹
- Section 503 of the Rehabilitation Act of 1973, as amended (section 503),² and
- The affirmative action provisions of the Vietnam Era Veterans' Readjustment Assistance Act of 1974,³ as amended, 38 U.S.C. 4212 (VEVRAA).

EO 11246 prohibits federal contractors from discriminating against applicants and employees based on race, color, religion, sex, or national origin. EO 11246 applies to federal contractors and subcontractors, and to federally assisted construction contractors holding a Government contract of \$10,000 or more. It also applies to Government contracts that have, or can reasonably expect to have, an aggregate total value exceeding \$10,000 in a 12-month period. In addition, EO 11246 applies to Government bills of lading, depositories of federal funds in any amount, and to financial institutions that are issuing and paying agents for U.S. Savings Bonds.

Section 503 prohibits employment discrimination against qualified individuals on the basis of disability, and requires contractors to take affirmative action to hire and promote qualified individuals with disabilities. Its requirements apply to federal contractors and subcontractors with a Government contract in excess of \$10,000.

VEVRAA prohibits employment discrimination against protected veterans and requires contractors to take affirmative action to hire and promote protected veterans. For contracts of \$25,000 or more entered into or modified prior to December 1, 2003, protected veterans include special disabled veterans, Vietnam era veterans, recently separated veterans, and "other protected veterans" as specified in the regulations. For contracts of \$100,000 or more entered into or modified after December 1, 2003, protected veterans include disabled veterans, recently separated veterans, Armed Forces Service Medal Veterans, and "other protected veterans" as specified in the regulations.

¹ The regulations implementing Executive Order 11246 applicable to supply and service contractors are published at 41 CFR parts 60-1, 60-2, 60-3, and 60-20, and 60-50. The EO 11246 regulations applicable to construction contractors are published at 41 CFR part 60-4.

² The regulations implementing Section 503 are published at 41 CFR Part 60-741.

³ The regulations implementing VEVRAA are published at 41 CFR Parts 60-250 and 60-300.

OFCCP currently divides the obligations under these authorities into two functional areas: construction and non-construction (also referred to as “supply and service”) contractors. The supply and service information collection request (ICR) package, which is approved by the Office of Management and Budget (OMB) under Control Number 1250-0003, covers the recordkeeping and reporting requirements for EO 11246, VEVRAA and section 503. The construction aspects of these programs are approved under Control Number 1250-0001.

Pursuant to the issuance of a final rule publishing revisions to the current VEVRAA implementing regulations, this ICR seeks approval of a separate OMB Control Number that covers the VEVRAA recordkeeping and third party program requirements. Control Numbers 1250-0001 and 1250-0003 currently include the annual burden hours and related costs for the time it takes contractors to document the contents of the written affirmative action program under VEVRAA. When the information collection requirements in this package become effective, the Department will submit non-substantive change requests for Control Numbers 1250-0001 and 1250-0003 to reflect the fact that the VEVRAA portions of burden hours and costs are included in this separate ICR. OFCCP promulgated the final rule and the information collection requirements contained therein in accordance with the Administrative Procedure Act.

1. Legal & Administrative Requirements

This information collection request supports a final rule revising the regulations implementing VEVRAA. 41 CFR part 60-300 of these regulations sets forth the nondiscrimination and affirmative action obligations of federal contractors and subcontractors holding any Government contract or subcontract of \$100,000 or more entered into, or modified, on or after December 1, 2003. While 41 CFR part 60-250 is rescinded under the final rule, part 60-300, as revised, prohibits discrimination against any protected veteran as defined in the former part 60-250 regulations that is employed by or applies for a position with a part 60-250 covered contractor. Part 60-250 applied to any Government contract or subcontract of \$25,000 or more entered into before December 1, 2003. The part 60-300 final rule contains several recordkeeping and third party program requirements. We discuss the specific sections of the final rule that include information collection requirements below.

Section 60-300.5 describes the Equal Opportunity Clause (EO Clause) that must be included in qualifying federal contracts. The EO Clause requires contractors to list job openings with state or local employment service delivery systems (ESDSs) and provide the ESDS with the name and location of the contractor’s hiring locations and contact information, including contact information for any outside job search organizations that it uses to assist in its hiring.

Section 60-300.42 outlines the requirements for contractor’s obligations to invite individuals to self-identify as a protected veteran.

Section 60-300.44 describes the required contents of a contractor’s written affirmative action program. Contractors must develop and include an equal opportunity policy statement in the program and periodically review their personnel processes to ensure that

qualified, protected veterans are provided equal opportunity. The regulations also require contractors to periodically review their physical and mental job qualification standards to ensure they do not screen out protected veterans, and assess the effectiveness of their efforts to reach out to and recruit qualified, protected veterans. Further, contractors must disseminate their affirmative action policy internally and externally and establish an audit and reporting system to measure the effectiveness of their affirmative action program. Contractors are required to maintain material evidence that demonstrates compliance with these requirements.

Section 60-300.45 requires contractors to set benchmarks for hiring protected veterans by using the national average number of veterans in the civilian labor force which OFCCP will provide (and periodically update) on its public website, or by setting a benchmark that fits the company's specific needs.

2. USE OF MATERIALS

Section 60-300.5 of the EO Clause requires contractors to list job openings with state or local ESDSs in a usable format and provide the ESDS with the name and location of the contractor's hiring locations and contact information, including contact information for any outside job search organizations the company uses. The mandatory job listing requirement is a critical component to helping veterans find work with federal contractors. Providing the ESDS with the name and location of the contractor's hiring locations and contact information enables the ESDS to develop a centralized list of federal contractors and ensures that they have appropriate contact information if there are any questions that need to be resolved in the job listing or priority referral process.

Section 60-300.42 outlines the requirements for contractors' obligations to invite individuals to self-identify as a protected veteran. This process enables the contractor and OFCCP to collect valuable data on the number of protected veterans who apply for or are hired into federal contractor positions. This allows for assessment of the effectiveness of the contractor's recruitment and affirmative action efforts over time, and promotes successful recruitment and affirmative action.

Section 60-300.44 describes the required contents of a contractor's written affirmative action program. During a compliance evaluation, OFCCP reviews the contractor's affirmative action program to determine whether the contractor is complying with its obligations not to discriminate in employment and to take affirmative action to ensure equal employment opportunity.

Section 60-300.45 requires contractors to set a benchmark for hiring protected veterans by using the national average number of veterans in the civilian labor force which OFCCP will provide (and periodically update) on its public website, or by setting a benchmark that fits the company's specific needs. This requirement provides contractors with a yardstick by which they can objectively measure the success of its efforts.

3. IMPROVED INFORMATION TECHNOLOGY

In general, under OFCCP regulations each contractor develops its own methods for developing and maintaining information. The vast majority of government contractors and subcontractors are repeat contractors. Since they are subject to the OFCCP regulatory requirements year after year, most have developed their information technology systems to generate the data required by OFCCP regulations. Contractors are free to change their information systems as they wish as long as they can retrieve the required data. Further, each contractor designs its own affirmative action program format to suit its particular business circumstances. The physical size of an affirmative action program may vary depending on the size and complexity of the contractor's organization. We believe that advances in technology make contractor compliance with our recordkeeping and reporting requirements easier and less burdensome.

4. DESCRIPTION OF EFFORTS TO IDENTIFY DUPLICATION

The reporting and recordkeeping requirements contained in this request result exclusively from the implementation of VEVRAA. This authority uniquely empowers the Secretary of Labor, and by a Secretary's Order, the OFCCP, to require the collection, analysis, and reporting of data and other information in connection with the enforcement of the law and regulations requiring Government contractors to take affirmative action to ensure equal employment opportunity. No duplication of effort exists because no other Government agency has these specific data collection requirements. Where possible, OFCCP participates in information sharing and standardized requirements with other federal agencies.

While contractors maintain other employment data in the normal course of business, affirmative action programs under VEVRAA are unique in that contractors create them specifically to meet the requirements of OFCCP regulations. This comprehensive document is not available from any other source. Therefore, no duplication of effort exists.

5. MINIMIZING BURDEN ON SMALL ORGANIZATIONS

We minimize the information collection and recordkeeping burden on a significant number of small businesses by exempting contractor establishments with fewer than 50 employees from the affirmative action program requirement. However, once OFCCP's authority covers one contractor's establishment, all of its employees must be accounted for in an affirmative action program whether or not each of the contractor's establishments meet the minimum 50 employees threshold.

6. CONSEQUENCES TO FEDERAL PROGRAMS IF THIS INFORMATION IS COLLECTED LESS FREQUENTLY

The requirements outlined in this ICR ensure that covered federal contractors and subcontractors meet their equal opportunity obligations to protected veterans. The nondiscrimination requirements of VEVRAA apply to all covered contractors. See 41 CFR 60-300.4. The requirement to prepare and maintain an affirmative action program, the specific obligations of which are detailed at 41 CFR 60-300.44, apply to those contractors with a Government contract in excess of \$100,000 and 50 or more employees.

If this information is collected less frequently than required in the final rule, it could compromise OFCCP's enforcement of VEVRAA and its implementing regulations. OFCCP reviews contractor compliance through its compliance evaluation process. See 41 CFR 60-300.60. In order to accurately determine compliance, both OFCCP and the contractor must be able to analyze contractor actions taken and results obtained. Additionally, the data collection frequency for this ICR mirrors that of OFCCP's other programs, particularly the EO 11246 supply and service program, as VEVRAA compliance evaluations are conducted concurrently with that program.

As noted under Control Number 1250-0003, the older the data, the greater the chances that more qualified workers are the victims of any discrimination that has occurred and that the discrimination continues for a longer period. A consequence of such older data may be that the scope of the violation, resulting harm and the overall burden of contractor compliance are greater.

7. SPECIAL CIRCUMSTANCES FOR THE COLLECTION OF INFORMATION

There are no special circumstances for the collection of this information.

8. CONSULTATION OUTSIDE THE AGENCY

OFCCP published a Notice of Proposed Rulemaking (NPRM) on April 26, 2011, in the Federal Register (76 FR 23358) seeking public comment on a number of proposals that would strengthen the regulations implementing VEVRAA. The NPRM was published for a 60-day public comment period. The proposed regulations detailed specific actions that contractors and subcontractors would be required to meet to satisfy their VEVRAA obligations, including increased data collection obligations and the establishment of hiring benchmarks for protected veterans. The NPRM also proposed the rescission of 41 CFR part 60-250 as obsolete. After receiving several requests to extend the public comment period, OFCCP published a subsequent notice in the Federal Register on June 22, 2011, (76 FR 36482), extending the public comment period an additional 14 days. OFCCP also conducted multiple town hall meetings, webinars, and listening sessions with individuals from the contractor community, state employment services, veterans service organizations, disability organizations and other interested parties to understand the features of the VEVRAA regulations that work well, those that can be improved, and possible new requirements that could help to effectuate the overall objective of increasing employment opportunities for veterans with federal contractors.

OFCCP received approximately 110 comments on the NPRM. Commenters represented diverse perspectives including, but not limited to, approximately forty individuals; ten groups representing contractors; three disability rights advocacy groups; two veterans' associations; two unions; and two governmental entities. Commenters raised a broad range of issues, including concerns with the cost and burden associated with the proposed rule, the extended recordkeeping requirements, developing benchmarks, and the new categories of data collection and analyses. OFCCP carefully considered the comments in the development of the final rule and corresponding ICR.

OFCCP received fifty-five comments concerning overall burden hours from several employer groups and employers, including twenty-one form letters. Most stated that OFCCP's overall estimate was much too low in dollars and hours. One commenter stated that the contractor universe was much too small. Some commenters included estimates of their own for dollar costs and burden hours. Several commenters specifically expressed concern about the potential burden on smaller contractors, including smaller construction contractors, veteran owned businesses, and service-disabled veteran owned businesses. Commenters further stated that the anticipated benefits did not outweigh the overall costs of the NPRM.

In light of the comments received on the VERA NPRM regarding the federal contractor establishment universe, OFCCP reexamined the original number of 108,288 contractor establishments it used in the NPRM. We combined Equal Employment Data System (EEDS) data with several other information sources.⁴ We used FY 2009 EEDS data to determine the number of federal contractor establishments with 50 or more employees; this resulted in a total of 87,013 federal contractor establishments.⁵ An additional 10,518 establishments were identified through a cross-check of other contractor databases for a total of 97,531 establishments. Covered federal contractors must develop AAPs for all of their establishments, even those with fewer than 50 employees. Therefore, OFCCP added an additional 73,744 establishments, using EEO-1 and FPDS data, for an adjusted total of 171,275 federal contractor establishments affected by the final rule. This adjustment to the methodology for calculating the number of contractors and contractor establishments results in a 58 percent increase over the earlier estimate used in the NPRM.

OFCCP received comments recommending an establishment count of 285,390 using the Veterans Employment and Training Service (VETS) annual report. OFCCP declines to exclusively rely on the VETS report number. However, for the purposes of this information collection request, OFCCP averaged the 171,275 with the 251,300 establishment figures to come up with a total of 211,287 establishments that will have to respond to the information collection requirements. The 251,300 establishment figure is

⁴ OFCCP determined that the VET-100 database is not the most appropriate resource for calculating the number of federal contractors and contractor establishments. Among the concerns surrounding this data source are the use of contractor established 12-month reporting timeframes, the degree to which there is overlap or duplication in the VETS-100 and VETS-100A reports, and the absence of an employee threshold for reporting purposes.

⁵ A single firm, business, or "entity" may have multiple establishments or facilities. Thus, the number of contractor establishments or facilities is significantly greater than the number of parent contractor firms or companies.

based on 2010 VETS data from their pending information collection request.⁶ All costs and hours in this request are calculated using this adjusted number of federal contractor establishments. Further, the burden for several information collection requirements in the final rule is presented in ranges. These estimates are averaged for this information collection request.

OFCCP also made key changes to the recordkeeping requirements to minimize the burden on contractors. The final rule requires that contractors maintain data pursuant to §§ 60-300.44(f)(4) (outreach and recruiting efforts), 60-300.44(k) (collection of applicant and hire data), and 60-300.45(c) (criteria and conclusions regarding hiring benchmarks) for three years. The NPRM proposed maintaining these records for five years and included additional categories of data, such as the number of priority referrals contractors receive from employment service delivery systems. Twenty-three commenters opposed these provisions. Several of the commenters were particularly concerned with the burden associated with the five-year requirement. In response, OFCCP reduced the proposed five-year recordkeeping requirement to three years in the final rule. Further, as discussed below, OFCCP eliminated the proposed requirement to maintain priority referral data and calculate applicant and hiring ratios. This minimizes the burden on contractors yet still requires contractors to keep adequate records to aid and inform their outreach and recruitment efforts.

In light of the comments received, the final rule does not incorporate the proposal under paragraph 5 of the Equal Opportunity (EO) Clause and section 60-300.44(k) to maintain data related to referrals from ESDSs. The NPRM proposed requiring contractors to maintain several quantitative measurements and comparisons regarding protected veterans in three categories: those who were referred by state employment services, those who applied for positions with the contractor, and those who were hired by the contractor. Commenters were especially concerned with the requirement to obtain referral data from the ESDSs, as they indicated that ESDSs either cannot provide such data or provide data inconsistently across the states, and that acquiring the data and synthesizing it would be burdensome. In reviewing the practical utility of the referral data in light of the burden that it would create on contractors, OFCCP eliminated the requirement to collect and analyze referral data.

Finally, the final rule eliminates several of the NPRM's proposed recordkeeping requirements to minimize the burden on federal contractors. The final rule does not adopt the proposed requirement for contractors to document and maintain records of all of the activities it undertakes to internally disseminate the company's VEVRAA affirmative action policy. Similarly, the final rule removes the proposal to require contractors to document and maintain records of its efforts to train all personnel involved in recruitment and selection to ensure that the contractor's affirmative action program is implemented. These proposals would have required contractors to make and keep voluminous records, particularly large contractors that have thousands of employees.

6OMB Control Number 1293-0005, Federal Contractor Veterans' Employment Report, VETS - 100/VETS-100A, http://www.reginfo.gov/public/do/PRAViewDocument?ref_nbr=201104-1293-003 (last accessed Aug. 13, 2013).

The remaining information collection requirements in the final rule strengthen contractor accountability, while minimizing the information collection burden.

OFCCP disagrees with the assertion from commenters that the costs would outweigh the benefits of certain paperwork requirements. As such, the final rule adopts a hiring benchmark to provide contractors with a quantifiable means to measure their success in recruiting and employing veterans. The final rule further requires contractors to maintain data on the number of veterans who apply for jobs and the number of veterans they hire. The final rule also strengthens recordkeeping requirements for the contractor's outreach and recruitment efforts and affirmative action program review.

The benefits of these provisions outweigh the overall costs. The primary benefit is the potential increase in employment opportunities for veterans not currently in the workforce. These requirements will also provide quantifiable means to measure contractors' success recruiting, retaining and employing veterans. They also give contractors tools to assist with identifying any workplace barriers to equal employment opportunity for veterans. Contractors will be better equipped to avoid potentially expensive violations of OFCCP regulations as they will now have the tools they need to evaluate their own compliance with VEVRAA's requirements.

9. GIFTGIVING

OFCCP makes no payments nor gives gifts to respondents.

10. ASSURANCE OF CONFIDENTIALITY

Federal contractors who submit the documentation required by this information collection may view it as extremely sensitive information. While the rule provides no express confidentiality assurance, OFCCP will evaluate all information pursuant to the public inspection and disclosure provisions of the Freedom of Information Act (FOIA), 5 U.S.C. 552, and the Department of Labor's implementing regulations at 29 CFR Part 70 as a matter of policy. OFCCP requires that contractors affected by a FOIA disclosure request be notified in writing and no decision to disclose information is made until the contractor has an opportunity to submit objections to the release of the information.

Furthermore, it is OFCCP's position that it does not release any data obtained during the course of a compliance evaluation until the matter is completed.

11. SENSITIVE QUESTIONS

VEVRAA requires contractors to invite applicants to self-identify as a protected veteran and indicate whether a reasonable accommodation is required. The protected veteran category includes disabled veterans. The protected veteran data is required to investigate for indicators of potential employment discrimination. Generally, a contractor informs its

protected veteran employees that it collects and maintains their data strictly for affirmative action purposes. Race and sex data is not required under VEVRAA.

12. ESTIMATE OF INFORMATION COLLECTION BURDEN

A. Information Collections

OFCCP's new information collection request under Control Number 1250-0004 for VEVRAA includes the burden hours and costs for the existing regulations and the new information collection requirements outlined in the final rule. This presentation separately states existing requirements currently approved under other OMB Control Numbers that will now be included under the 1250-0004 Control Number.

Section 60-300.5 Equal Opportunity Clause

Paragraph 2 of the Equal Opportunity Clause (EO Clause) requires contractors to list their job openings with the state or local employment service delivery system (employment service). OFCCP estimates that gathering records and providing the job listing to the employment service will take 25 minutes for approximately 15 listings per year. The burden for this third-party disclosure is 1,320,544 hours (211,287 contractor establishments x 25 minutes x 15 listings/60 = 1,320,544 hours). This is a third-party disclosure.

Paragraph 4 of the EO Clause requires contractors to provide the appropriate employment service with the name and location of each of the contractor's hiring locations, a statement of its status as a federal contractor, the contact information for the hiring official at each location in the state, and a request for priority referrals of protected veterans. Paragraph 4 also requires contractors that use job search organizations to provide the employment service with the contact information for each job search organization. OFCCP estimates a total of 15 minutes to ensure that the information newly required by this regulation is provided to the employment service. The annual burden for this provision is 52,822 hours (211,287 contractor establishments x 15 minutes/60 = 52,822 hours). OFCCP further estimates that 25 percent of contractors, or 52,821, will use outside job search organizations and incur an additional 5-minute burden to notify the employment service of the contact information for its outside job search organizations. The annual burden for this provision is 4,402 hours (52,821 contractor establishments x 5 minutes/60 = 4,402 hours). This is a third-party disclosure.

Section 60-300.42 Invitation to Self-Identify

Section 60-300.42(a) requires contractors to extend a pre-offer invitation to self-identify as a "protected veteran." OFCCP estimates that contractors working at the company level will take 1.5 hours to review and retrieve existing sample invitations to self-identify, adopt the sample "as is" or make revisions to their existing form, save the invitation to self-identify and incorporate the document in the contractor's application

form. The burden for this provision is 85,656 hours (57,104 contractor companies x 1.5 hours = 85,656 hours).

Applicants for available positions with covered Federal contractors will have a minimal burden complying with § 60-300.42(a) in the course of completing their application for employment with the contractor. Section 60-300.42(a), on pre-offer self-identification, requires contractors to invite all applicants to self-identify whether or not they are a protected veteran. OFCCP estimates that there will be an average of 24 applicants per job vacancy for on average 15 vacancies per year. OFCCP further estimates that it will take applicants approximately 5 minutes to complete the form. The burden for this provision is 6,338,610 hours (211,287 contractor establishments x 15 listings x 24 applicants x 5 minutes/60 = 6,338,610 hours). This a third-party disclosure.

Section 60-300.44 Required Contents of the Affirmative Action Program

OFCCP estimates that it takes existing contractors, or 209,174, approximately 7.5 hours to document and maintain material evidence of annually updating a joint section 503 and VEVRAA affirmative action program. The burden for this requirement is 1,568,805 hours (209,174 contractor establishments x 7.5 hours = 1,568,805 hours).

OFCCP estimates that 1% of all contractors, or 2,112, are new contractors that will need to initially develop a joint section 503 and VEVRAA affirmative action program. OFCCP estimates that it takes approximately 18 hours to document and maintain material evidence of developing the program. Therefore, the recordkeeping burden for this provision is 38,016 hours (2,112 contractor establishments x 18 hours = 38,016 hours).

60-300.44(f) External dissemination of policy, outreach and positive recruitment

Section 60-300.44(f)(1)(ii) of the final rule requires contractors to send written notification of the company's affirmative action program policies to subcontractors, vendors, and suppliers. The existing regulations recommend that contractors send written notification of the company's affirmative action policies to subcontractors, vendors, and suppliers. See 41 CFR 60-300.44(f)(6). OFCCP estimates that contractors will take 15 minutes to prepare the notification and send it to subcontractors, vendors, and suppliers, and an additional 15 minutes to execute the email address changes in the company's email system. Likewise, the burden for any information technology assistance needed to send the written communication is estimated at 15 minutes. The burden for this request is 158,465 hours (211,287 contractor establishments x 45 minutes/60 = 158,465 hours).

Section 60-300.44(f)(4) of the final rule requires contractors to document all activities it undertakes to comply with the obligations of this paragraph, and retain these documents for a period of 3 years. OFCCP estimates that it will take contractors 15 minutes to retain the required documentation. Retaining these records means storing the records generated either electronically or in hardcopy, consistent with the contractor's existing business practices for how to store records. The annual recordkeeping burden for this provision is 52,822 hours (211,287 contractor establishments x 15 minutes/60 = 52,822 hour).

Section 60-300.44(h) Audit and Reporting System

Section 60-300.44(h)(1)(vi) requires contractors to document the actions taken to meet the requirements of 60-300.44(h), as mandated in the current regulations. OFCCP estimates that it will take contractors 10 minutes to document compliance with this existing provision to create an audit and reporting system. Documentation may include, as an example, the standard operating procedure of the system including roles and responsibilities, and audit and reporting timeframes and lifecycles. Because contractors are currently required to have an audit and reporting system, it is expected that some documentation of the process and operation of the system audit already exists. The annual recordkeeping burden of this provision is 35,215 hours (211,287 contractor establishments x 10 minutes/60 = 35,215 hours).

Section 60-300.44(k) Data Collection and Analysis

Section 60-300(k) of the final rule requires contractors to collect and analyze certain categories of data. Based on feedback received from public comments expressing concerns about the costs of modifying human resources information systems, OFCCP believes that most contractors will have the capability to conduct the required calculations electronically. However, some companies may have to calculate this information manually. Therefore, OFCCP estimates that the average time to conduct the analysis and maintain the relevant documentation would be 1 hour 25 minutes. Relevant documentation could include the report or other written documentation generated by the calculations that explain the methodology, the data used, and the findings and conclusions; the data used to conduct the calculations for subsequent validation of the results; and other material used by the contractor for the calculations. The recurring burden for this provision is 299,233 hours (251,300 contractor establishments x 85 minutes/60 = 299,233 hours).

Section 60-300.45 Benchmarks for Hiring

The final rule requires the contractor to establish benchmarks in one of two ways. A contractor may use as its benchmark the national average number of veterans in the civilian labor force, which OFCCP will provide (and periodically update) on its public website. Or, alternatively, the contractor may establish its own individual benchmark using the five-factor method proposed in the NPRM (and retained in the final rule) to develop a benchmark that fits the company's specific needs. OFCCP estimates that it will take contractors on average 10 minutes to maintain material evidence of compliance with this provision. The burden of this provision would be 35,215 hours (211,287 establishments x 10 minutes/60 = 35,215 hours).

Section 60-300.81 Access to Records

Section 60-300.81 of the final rule requires contractors who are the subject of a compliance evaluation or complaint investigation to specify all available record formats

and allow OFCCP to select preferred record formats from those identified by the contractor during a compliance evaluation. Pursuant to 5 CFR 1320.4(a)(2), this information collection is excluded from the PRA requirements because it is related to an “administrative action, investigation, or audit involving an agency against specific individuals or entities.”

B. Summary of Costs

The estimated cost to contractors is based on Bureau of Labor Statistics data in the publication “Employer Costs for Employee Compensation” (September 2011), which lists total compensation for management, professional, and related occupations as \$50.11 per hour and administrative support as \$23.72 per hour. OFCCP estimates that 52 percent of the burden hours will be management, professional, and related occupations and 48 percent will be administrative support.

Table 1: Summary of Burden Hours and Costs for Contractors

Existing Requirements	Burden Hours	Total
EO Clause, Parag 2 (Mandatory Job Listing)	1,320,544	\$49,444,855.52
Current Existing Contractors (Written Affirmative Action Program)	1,568,805	\$58,740,451.85
Current New Contractors (Written Affirmative Action Program)	38,016	\$1,423,425.48
Total	2,927,365	\$109,608,732.86
New Requirements	Burden Hours	Burden Costs
EO Clause, Parag 4 (Mandatory Job Listing)	52,822	\$1,977,794.22
EO Clause, Parag 4 (Mandatory Job Listing)	4,402	\$164,813.84
300.42 (Invitation to Self-Identify)	85,656	\$2,342,234.35
300.44(f)(1) (Notice to Subcontractors, etc.)	158,465	\$5,933,382.66
300.44(f)(4) (Outreach and Recruitment Recordkeeping)	52,822	\$1,977,794.22
300.44(h) (Affirmative Action Program Audit Recordkeeping)	35,215	\$1,318,529.48
300.44(k) (Data Collection Analysis)	299,323	\$11,207,500.59
300.45 (Benchmarks Recordkeeping)	35,215	\$1,318,529.48
Total	3,651,284	\$136,714,277.83

Table 2: Summary of Non-Contractor Burden Hours and Costs

Existing Requirement	Burden Hours	Burden Costs
-----------------------------	---------------------	---------------------

Section 60-300.42 (Self-Identification)	6,338,610	\$190,855,547
---	-----------	---------------

The total estimated cost for applicants to fill out the self-identification form is based on Bureau of Labor Statistics data in the publication “Employer Costs for Employee Compensation” (September 2011), which lists an average total compensation for all civilian workers as \$30.11.

C. Initial Capital or Start-up Costs

Human Resources Information Systems

OFCCP estimates on average it will take each contractor, working at the company level, on average 20 hours to have a professional make the needed systems modifications to track applicant and hiring information for protected veterans. This includes IT and administrative professionals to make any necessary changes. The estimated costs for these modifications are based on data from the Bureau of Labor Statistics in the publication “Employer Costs for Employee Compensation” (September 2011), which lists total compensation for a professional of \$47.21 per hour. The cost for these modifications is \$53,917,597 (57,104 contractor companies x 20 hours x \$47.21 = \$53,917,597). The total burden hours of 1,142,080 are amortized over three years to equal 380,693 hours per year.

5 CFR 1320.3(b)(1)(i) - Reviewing Instructions

Several commenters noted that the proposed rule did not quantify the burden of reading and understanding the VEVRAA revisions on contractors. OFCCP acknowledges that 5 CFR 1320.3(b)(1)(i) requires agencies to include in the burden analysis for new information collection requirements the estimated time it takes for contractors to review and understand the instructions for compliance. In order to minimize the burden, OFCCP will publish several compliance assistance materials including factsheets and “Frequently Asked Questions.” OFCCP will also host webinars for the contractor community that will describe the key provisions in the final rule.

OFCCP estimates it will take, on average, 2.5 hours to have a management professional at each establishment either read compliance assistance materials provided by OFCCP or participate in an OFCCP webinar to learn about the new requirements of the final rule. The estimated cost of this burden is based on data from the Bureau of Labor Statistics in the publication “Employer Costs for Employee Compensation” (September 2011), which lists total compensation for a management professional at \$50.11. Therefore, the estimated burden for rule familiarization is 528,217 hours (211,287 contractor establishments x 2.5 hours = 528,217 hours). We calculate the total estimated cost for rule familiarization as \$26,468,979 (528,217 hours x \$50.11/hour = \$26,468,979). These burden hours are amortized over three years to equal 176,072 hours per year.

Table 3: Total Burden for §§60-300.5; 60-300.42; 60-300.44; and 60-300.45

Recordkeeping Burden Hours	2,205,468
Reporting Burden Hours	0
Third Party Disclosure Burden Hours	8,341,192
Total Burden Hours	10,546,660

13. OPERATIONS AND MAINTENANCE COSTS

OFCCP estimates that the contractor will have some operations and maintenance costs in addition to the burden calculated above.

60-300.42 Invitation to Self Identify

OFCCP estimates that the contractor will have some operations and maintenance cost associated with the invitations to self-identify. The contractor must invite all applicants to self-identify at both the pre-offer and post-offer stage of the employment process. Given the increasingly widespread use of electronic applications, any contractor that uses such applications would not incur copy costs. However, to account for contractors who may still choose to use paper applications, we are including printing and/or copying costs. Therefore, we estimate a single one page form for both the pre- and post-offer invitation. Assuming contractors using a paper-based application system, used 24 applications for an average of 15 listings per establishment, the minimum estimated total cost to contractors will be \$1,217,002 (42,257 establishments x 360 copies x \$.08 = \$1,217,002).

14. FEDERAL COSTS

DOL associates no unique federal costs with this information collection. OMB Control Numbers 1250-0001 and 1250-0003 currently include the annual costs of federal contractor compliance evaluations to ensure their compliance with the information collection requirements contained herein.

15. REASONS FOR PROGRAM CHANGES AND ADJUSTMENTS.

This is a new information collection in support of the new VEVRAA regulation. As noted above, OMB Control Numbers 1250-0001 and 1250-0003 currently include the annual burden hours and related costs for the time it takes contractors to document the contents of the written affirmative action program under VEVRAA. Upon approval of this information collection package, the Department will submit non-substantive change requests for

Control Numbers 1250-0001 and 1250-0003 to reflect the fact that the VEVRAA portions of burden hours and costs are included in this separate ICR.

16. PUBLICATION OF DATA

OFCCP will not publish the data collected.

17. APPROVAL TO NOT DISPLAY THE EXPIRATION DATE

OFCCP does not seek approval not to display the expiration date.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions.

SUPPORTING STATEMENT B—STATISTICAL METHODS

This information collection does not employ statistical methods.