



TRANSMITTAL

**U.S. DEPARTMENT OF LABOR
Employment Standards Administration
Office of Federal Contract
Compliance Programs**

Number: 202

Date: March 24, 1995

FCCM Notice/CH 2

1. **SUBJECT**: Conducting corporate headquarters' compliance reviews.
2. **PURPOSE**: To advise that corporate headquarters' compliance reviews are to be conducted as corporate management reviews.
3. **BACKGROUND**: Historically, supply and service compliance reviews of corporate headquarters have been conducted as if the headquarters were a separate facility. When compliance reviews were not designated as corporate management reviews, corporate management issues set forth in the Federal Contract Compliance Manual (FCCM) were not pursued. We wish to focus on those issues by conducting compliance reviews of all corporate headquarters as corporate management reviews. Note that the Regional Operational Plan for FY 1994 indicated that all corporate-wide reviews will be classified as corporate management reviews. As increasing numbers of minorities, women, individuals with disabilities, and covered veterans with qualifications comparable to their peers move into management and other key positions, corporate management reviews are to ensure that they do not encounter artificial barriers to further advancement into mid-level and senior corporate management.
4. **FILING INSTRUCTIONS**: From Manual Chapter 2, remove and discard page 2-9, and insert the attached revised page 2-9. A right marginal line indicates where an instruction has been added. There are no deletions.
5. **OBSOLETE DATA**: Page 2-9 issued in the May 1993 version of the FCCM.
6. **ATTACHMENT**: Page 2-9
7. **DISTRIBUTION**: A, B, C electronically
8. **EXPIRATION DATE**: This notice expires when implemented and may be discarded or retained for reference, at your option.

(signed) Shirley Wilcher

March 24, 1995

SHIRLEY J. WILCHER
Deputy Assistant Secretary for
Federal Contract Compliance

DATE

The 60-day period for completing the compliance review (refer to 41 CFR 60-60.7) begins when the AAP and support data (whether reasonable or not) are received in the AO/FO. While completion of the review within the 60-day period is not a procedural prerequisite to an enforcement action, substantial effort should be made to complete the review within that period of time. Should it become apparent that a review cannot or will not be completed within 60 days of receipt of the AAP and support data (irrespective of whether a Show Cause Notice has been issued), the CO should request an extension through his or her Module Chief. All extension requests must be made sufficiently in advance to allow for necessary processing and entry into the CRIS.

REVIEWS OF CORPORATE HEADQUARTERS, REGIONAL AND DISTRICT OFFICES

All compliance reviews of corporate headquarters' facilities are to be conducted as corporate management reviews following procedures set forth in the FCCM.

- (a) Maintenance of Establishment AAPs: When reviewing corporate headquarters, the CO should review documentation that the corporation's establishments have developed AAPs.
- (b) Corporate-Level Selection Decisions: The CO should ensure that the workforce analysis, utilization analysis and goals in the corporate headquarters' AAP include all positions filled by head-quarters decision-makers, regardless of where those jobs are physically located. For example, mid- and upper-level management jobs at establishments other than headquarters must be included in the corporate AAP if the selection decisions for those jobs are made at the corporate level.

Where because of informal or fluctuating managerial appointment authorities, the appropriate level for job title placement cannot be clearly or consistently defined, the managerial and other appropriate titles should be placed in the AAP of the highest organizational level where ultimate approval authority may reside. As a result, there may be instances when the majority of mid- and upper-level management and other titles should appropriately be placed in the corporate headquarters AAP, notwithstanding personnel responsibility at intermediate organizational levels. Management should be given substantial discretion in determining proper organizational levels for job title placement provided such placement is not inconsistent with the purpose of this Section.

- (c) Regional or District-Level Selection Decisions: Similarly, if a regional or district office has decision-making authority over positions in a lower-level establishment unit, the regional or district office AAP should include those positions in its workforce analysis, utilization analysis and goals.