

# LABOR AND EMPLOYMENT LAW

## INFORMATION MEMO

MARCH 29, 2024

### **Alert for Federal Contractors – OFCCP Contractor Portal Will Open for AAP Certification on April 1 and Agency Released Updated Annual Veteran Hiring Benchmark**

The U.S. Department of Labor (DOL), Office of Federal Contract Compliance Programs (OFCCP) announced that its Contractor Portal will open to receive Affirmative Action Program (AAP) certification submissions on April 1, 2024. The deadline for contractors to certify that they are in compliance with their AAP obligations for each establishment and/or functional unit is set for July 1, 2024.

OFCCP posted a webinar on its webpage that covers the 2024 certification process. Although OFCCP's recent announcement of the opening of its third certification cycle did not include a warning that contractors that fail to meet the July 1 certification deadline will be more likely to be audited, OFCCP has issued such a warning in the past. It is not yet clear to what extent contractors' certification status will play a role in OFCCP's upcoming audit selection process.

The Contractor Portal has been used by OFCCP since 2022 to track and review federal contractors' AAP compliance. Supply and service contractors that are covered federal contractors and subcontractors are required to use the portal to certify on an annual basis that they are meeting their obligation to develop and maintain written affirmative action plans. OFCCP has published a frequently asked questions (FAQ) page to address basic questions about the portal. OFCCP defines "covered" contractors as those who hold a contract of \$50,000 or more and employ 50 or more employees. Those federal contractors must develop AAPs pursuant to Executive Order 11246 and Section 503 of the Rehabilitation Act of 1973. If a contractor has at least 50 employees and a contract of \$150,000 or more, then it must also develop an AAP pursuant to the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA).

OFCCP also recently announced that, effective March 31, 2024, the VEVRAA hiring benchmark for 2024 will be 5.2%. VEVRAA requires contractors to establish a hiring benchmark every year to measure their progress toward achieving equal employment opportunity for protected veterans. The new benchmark is 0.2% lower than the previous benchmark of 5.4% and continues the Agency's trend of reducing the benchmark each year.

If you have any questions about the information presented in this memo, please contact [Christa R. Cook](#), paralegal [Jackie Stone](#) or any of the attorneys in Bond's [labor and employment practice](#).

