



MAR 27 2002

MEMORANDUM FOR ELLIOT P. LEWIS

Acting Deputy Inspector General
for Audit

A handwritten signature in black ink, appearing to read "D.M. Wilson".

FROM:

DIXON M. WILSON
Acting Assistant Secretary

SUBJECT:

Audit of the Office of Federal Contract Compliance
Programs Enforcement of Veterans' Employment Rights
Draft Audit Report No. 05-02-004-04-410

This memorandum is in response to your March 12, 2002 request for our review and comments on the subject report. The Office of Inspector General (OIG) conducted an audit of the Office of Federal Contract Compliance Programs (OFCCP) and its enforcement of veterans' employment rights for the period of July 1, 1999, through June 30, 2001. The objective of the audit was to determine whether OFCCP was fulfilling its enforcement responsibilities regarding veterans' complaints. The OIG determined that OFCCP overall has done an adequate job investigating veterans' complaints and evaluating compliance activities of employers that have contracts with the Federal Government.

In summary, the OIG has recommended that OFCCP: (1) develop methods to reduce the process time it takes to complete investigations under the Vietnam Era Veterans' Readjustment Assistance Act (VEVRAA); (2) afford each complainant an opportunity to discuss the findings in his or her case prior to the conclusion of the investigation; (3) maintain adequate documentation regarding discussions with complainants regarding the results of the investigation; and (4) expand outreach efforts to educate veterans more effectively regarding their rights under VEVRAA. ESA has reviewed the report and our response to the four recommendations is attached.

If you have any questions regarding this response, please contact Rose Broadwater at 693-0285 or Michelle Ouellet at 693-1106.

Attachment

Working to Improve the Lives of America's Workers

Employment Standards Administration

Office of Federal Contract Compliance Programs
Enforcement of Veterans' Employment Rights
OIG Audit Period: July 1, 1999 through June 30, 2001
Draft Report No. 05-02-004-04-410

Recommendations:

To improve customer satisfaction within the veterans' community, we recommend that the Assistant Secretary for the Employment Standards Administration ensure that OFCCP:

Recommendation One: Develop methods to reduce the process time it takes to complete investigations under VEVRAA.

Management's Response and Action: OFCCP agrees with this recommendation. However, we note that the sample of 85 cases reviewed by the OIG included six outliers, each of which took over 1,000 days to complete the investigations, significantly longer than the average time required to complete the investigations in the majority of cases comprising the sample. In addition, these outlying complaint investigations involved highly unusual circumstances. For example, four of the complaints (General Mills – 7,131 days; Budd Co. – 1,724 days; Detroit Diesel Corp. – 1,705 days; and Chrysler Corp. – 1,393 days) were filed by the same complainant, a repeat filer. Much of the delay arose from seeking a legal opinion from the Regional Solicitor as to whether investigations were required under those special circumstances. Another very lengthy investigation, Lee vs. L.A. County Fire Department (1,025 days), was delayed due to the difficulty in establishing jurisdiction over this county agency—a question that is still unresolved and is pending in the Regional Solicitor's Office. Because your office calculated the average time to complete an investigation from a sample which included nonrepresentative investigations, it might have been appropriate to include a calculation of the median time to complete an investigation in order to present a more complete picture of the true distribution of all OFCCP cases.

Subsequent to your review, the OFCCP Division of Program Operations (DPO) conducted audits of complaint processing in several regions. Our audits disclosed several areas of concern, including the protracted length of time it took to process complaints. The regional offices have agreed to review their intake procedures and to ensure that complaints are received and assigned for investigation in a more timely manner. In addition, DPO plans to establish a task force of National Office staff and field personnel to develop uniform procedures with the goal of processing complaints within the 180-day timeframe. The Division of Policy Planning and Program Development (Policy) will modify the Federal Contract Compliance Manual (FCCM), as appropriate, to address the timeliness issue as it pertains to complaint intake and processing.

Recommendation Two: Implement procedures that ensure each complainant is afforded an opportunity to discuss the findings in his or her case prior to the conclusion of the investigation.

Management's Response and Action: OFCCP agrees with this recommendation and Policy will modify the FCCM, as appropriate, to address the need to discuss OFCCP's findings with the complainant, to the extent that such information is not prohibited by the Privacy Act. This issue will also be addressed in annual compliance officer (CO) training to ensure COs comply with OFCCP's Customer Service Plan.

Recommendation Three: Ensure that the files contain adequate documentation to support discussions.

Management's Response and Action: OFCCP agrees with this recommendation and Policy will address case file documentation at annual CO training sessions. In addition, to the extent the FCCM requires modification to address this issue adequately, we will revise it.

Recommendation Four: Increase its outreach efforts to better educate veterans of their rights under the law by exploring new innovative approaches utilizing the latest technology and expanding its current efforts to reach veterans groups and state workforce agencies.

Management's Response and Action: OFCCP agrees with this recommendation and Policy commits to engaging in outreach, education, and compliance assistance to enable OFCCP to better explain to various veterans' organizations and individuals their rights under the regulations.