

Are you subject to Affirmative Action requirements?

Executive Order 11246 established the requirement for affirmative action. Service and supply contractors and subcontractors with 50 or more employees and government contracts of \$50,000 or more are required to develop and implement a written affirmative action program (AAP) for each establishment. The regulations define an AAP as a set of specific and results-oriented procedures to which a contractor commits itself to apply every good faith effort. The AAP is developed by the contractor to assist the contractor in a self-audit of its workforce. The AAP is kept on file and carried out by the contractor and must be submitted to the Office of Federal Contract Compliance Programs (OFCCP) upon request.

If your company makes parts or provides services to a government “prime” contractor that uses those parts under a federal contract, then this requirement extends to your company.

What is the best solution to meet this requirement?

PMIS’ HR Services Division has the expertise on-staff to prepare this for you on a very cost-effective basis. Our staff has over 30 years’ experience preparing affirmative plans and working directly with the OFCCP on audits. We know what is required and how to insure our clients do exactly what is needed to be in compliance.

What is an Affirmative Action Program?

The AAP identifies those areas, if any, in the company’s workforce that reflect utilization of women, minorities, veterans, and the disabled similar to the demographics in which they do business. Based on the utilization analyses Executive Order 11246 and the availability of qualified individuals, the company must establish goals to reduce or overcome the under-utilization. Good faith efforts may include expanded efforts in outreach, recruitment, training and other activities to increase the pool of qualified minorities, women, veterans, and disabled persons. The actual selection decision is to be made on a non-discriminatory basis.

How does a company prepare an Affirmative Action Program?

Some larger companies have a department that prepares and manages their affirmative action program. In today’s day and age, most companies outsource this effort. The expertise required to gather relevant statistics and analyze them is very complicated and time consuming. If the preparer does not have the expertise to accurately gather and analyze the data, the company may over-obligate their self and possibly be out of compliance due to faulty analysis and reporting.

What happens if you choose not to develop an Affirmative Action Program?

Every contractor and subcontractor to the federal government signs an agreement as part of their contract to be in compliance with E.O. 11246. If you are found to be in violation, your contracts could be taken away.

Precision Manufacturing Insurance Services is dedicated to protecting the future of manufacturing in California. As such, we have extend our services to include:

- Property and Casualty Insurance
- Workers Compensation Insurance
- Employee Health Insurance
- Human Resource Services
- Safety and Loss Control

We are your full-service Service Provider and encourage you to contact us to learn more about what we can do for you.
Contact us at (626) 217-9000.

(626) 217-9000, ext. 121

**Steve Keyzers, V.P.
HR Services**

Email: Steve@PMIServices.com

www.PMIServices.com