

## Recent OFCCP Settlement Makes Case For Affirmative Action Self-Audits

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Recently, Alcoa Mill Products Inc. agreed to pay over \$500,000 in back wages to 39 female and minority applicants who were rejected for jobs at the company's plant in Lancaster, PA. The payment was part of a settlement that resolved a finding by the [Office of Contract Compliance Programs \(OFCCP\)](#) that Alcoa Mill Products discriminated against Hispanic, African-American and female applicants for material handler positions. During a scheduled compliance review, the OFCCP determined that the company's hiring process for material handlers had a disparate impact on minority and female applicants. In addition to paying back wages, Alcoa Mill Products agreed to extend job offers to nine of the class members, to spend at least \$20,000 on training, and to revise its selection process for material handlers.

This case is a cautionary tale for government contractors. The outcome in this case could have been avoided if the company would have conducted an affirmative action self-audit. A self-audit would have revealed the problems in the selection process before they were uncovered by the OFCCP.

If you are a government contractor, now is the time to consider an affirmative action self-audit. An affirmative action self-audit would enable you to uncover and remedy mistakes that contractors commonly make, including critical mistakes concerning the hiring process, applicant tracking, adverse impact analyses, compensation analyses, and record retention. Of course, a self-audit is effective only if it is conducted before the contractor receives the OFCCP's notice of compliance review. This is because once that notice is received a contractor has only 30 days to submit its affirmative action program and supporting documents. To get the most out of the process, contractors are best served by conducting a self-audit well in advance of notice of an OFCCP audit.

[McNees Wallace & Nurick's Labor and Employment Group](#) can assist you with performing a self audit and with preparing for an OFCCP compliance review. You can contact McNees by [clicking here](#).

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