

OFCCP Announces 2016 VEVRAA Hiring Benchmark

On June 15, 2016, the Office of Federal Contract Compliance (OFCCP) published the 2016 Vietnam Era Veterans' Readjustment Assistance Act (VEVRAA) benchmark on its website based on data released by the Bureau of Labor Statistics on March 4, 2016.

The benchmark – 6.9% – is effective as of March 4, 2016, but is not substantially different from last year's benchmark of 7%. Those federal contractors and subcontractors who adopted the prior year's 7% benchmark prior to the DOL's announcement need not change the established benchmark until the current affirmative action plan expires.

Federal contractors and subcontractors subject to the Affirmative Action requirements of VEVRAA who want to calculate an individualized hiring benchmark more reflective of the availability of protected veterans in their geographic area may utilize the alternative five-factor method. However, there is no penalty for not meeting the DOL's published benchmark. Only those covered contractors and subcontractors who fail to conduct outreach and positive recruitment reasonably designed to effectively recruit protected veterans and to assess their outreach and positive recruitment efforts may be found to be deficient in any compliance review. Many employers have chosen to simply use the national percentage published by DOL. However, as better data is available relative to applicant flow and veteran availability, more contractors may shift to the alternative method of setting the benchmark, particularly establishments located in low veteran unemployment areas.

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