

January 31, 2006

EEOC Implements Long Awaited Revisions to EEO-1 Report

On January 27, 2006, the Office of Management and Budget approved the Equal Employment Opportunity Commission's (EEOC) revisions to its EEO-1 Report. This is the first major overhaul of the EEO-1 Report in 40 years. The newly finalized changes summarized below are further detailed in our November 18, 2005 Management Alert. [\[click here to view this Alert\]](#) Beginning with the 2007 reporting cycle, covered private employers (100 or more employees) and federal contractors (50 or more employees) will be required to use the revised survey form. Because the revised survey form will not be effective until 2007, it is recommended that employers delay implementing any changes to their data collection systems until after they have submitted their 2006 report.

In a nutshell, the major revisions to the survey include:

New and Revised Ethnic and Racial Categories

- Adds a "Two or more races, not Hispanic or Latino" category; and
- Replaces "Asian and Pacific Islanders" category with two separate categories, "Asian, not Hispanic or Latino" and "Native Hawaiian or Other Pacific Islander, not Hispanic or Latino."

New and Revised Job Categories

- "Officials and Managers" job category will be subdivided into "Executive/Senior Level Officials and Managers" and "First/Mid-Level Officials and Managers" job categories; and
- Reclassifies non-managerial business and financial occupations, previously listed under the "Officials and Managers" job category, to the "Professional" job category.

Race/Ethnicity Data Collection

- Endorses employee self-identification of race and ethnicity over visual identification by employer; and
- Extends EEO-1 race/ethnicity data collection to Hawaiian employers.

OFCCP 2005 Fiscal Year Results

The OFCCP has released its results for the 2005 fiscal year. It reports that it was responsible for increasing the amount of financial remedies to persons it found to be victims of discrimination by 31%, to \$45.2 million. It also increased the number of individuals who received such remedies by 53% over the previous year to 14,700 persons. During this last fiscal year, the number of compliance evaluations decreased significantly from fiscal year 2004, from 6500 to 2700 audits. This decrease was caused, according to OFCCP Director Charles James, because of changes in the system used to select contractors for audit. In 2005, according to the OFCCP, it chose to audit larger employers and employers with a more significant number of indicators of systemic discrimination. Director James states, however, that he expects the number of audits to increase to 6000 during this 2006 fiscal year.

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