Changes to Jurisdictional Thresholds Obligating Federal Contractors

The Federal Acquisition Regulatory (FAR) Council periodically makes adjustments to federal contracting jurisdictional thresholds to compensate for inflation. Last month, the threshold under Section 4212 (for protected veterans) and Section 503 (for individuals with disabilities) were modified:

- **Section 4212 increased from $100,000 to $150,000 (not aggregated)**
- **Section 503 increased from $10,000 to $15,000 (aggregated)**

While the slight increase in the Section 503 jurisdictional threshold will not likely affect many federal contractors as far as basic coverage and affirmative action plan obligations, the new threshold for VEVRAA may very well have an impact. Therefore, it is important that you verify the amount of your company’s federal contract(s). If the value is less than $150,000, you no longer have affirmative action obligations for protected veterans. In addition to not having to prepare a written AAP for protected veterans, you no longer are required to:

- File a VETS-4212 report
- List open positions with the local job service
- Request and record self-identification of protected veterans
- Include reference to protected veterans in the EEO tagline for job advertisements, the EEO clause in federal subcontracts, the notification to labor unions, and the EEO policy notice
- Track and record statistical data for protected veterans
- Do external outreach and recruitment for protected veterans and assess and report on the effectiveness of such efforts
- Do internal dissemination for protected veterans
- Implement audit and reporting procedures for protected veterans

Employers are not prohibited from taking steps to employ veterans as a result of the threshold change. However, if your federal contract is under the threshold amount, your efforts would not be subject to scrutiny from the OFCCP.

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