

FREQUENTLY ASKED QUESTIONS (FAQs)

Collection of 2017 and 2018 Component 2 Compensation Data

Deadline

✓ **When must employers report 2017 and 2018 Component 2 compensation data?**

Employers must file 2017 and 2018 Component 2 compensation data by September 30, 2019. As Ordered by the court's recent decision in *National Women's Law Center, et al., v. Office of Management and Budget, et al.*, Civil Action No. 17-cv-2458 (D.D.C.), EEO-1 filers must submit Component 2 data for calendar year 2017, in addition to Component 2 data for calendar year 2018, by September 30, 2019.

Filing Requirements

✓ **Who must submit EEO-1 2017 and 2018 Component 2 compensation data?**

Employers, including federal contractors, are required to submit Component 2 compensation data for 2017 if they have 100 or more employees during the 2017 workforce snapshot period (defined below). Employers, including federal contractors, are required to submit Component 2 compensation data for 2018 if they have 100 or more employees during the 2018 workforce snapshot period.

Federal contractors with 50-99 employees are not required to report Component 2 compensation data.

Federal contractors with 1-49 employees, and other private employers with 1-99 employees, are not required to file either EEO-1 Component 1 data or Component 2 data.

✓ **When do employers count their employees?**

Employers will count their employees during the “workforce snapshot period.” The “workforce snapshot period” is an employer-selected pay period between October 1 and December 31 of the reporting year. The workforce snapshot period for the 2017 EEO-1 report would be an employer-selected pay period between October 1, 2017, and December 31, 2017. Likewise, the workforce snapshot period for the 2018 EEO-1 report would be an employer-selected pay period between October 1, 2018, and December 31, 2018.

The only employees whose compensation and hours-worked data must be reported are those full- and part-time employees who were on the employer’s payroll during the workforce snapshot period.

✓ **What date should be used to determine the 100-employee filing requirement for each reporting year? The headcount as of December 31 or the headcount as of May 31?**

To determine if they meet the 100-employee threshold for 2017 or 2018, employers will count the number of employees during the workforce snapshot period for the corresponding reporting year. Employers with 100 or more employees during the workforce snapshot period in 2018 will file 2018 Component 2 data with summary pay and hours-worked data. Employers with 100 or more employees on the payroll during the workforce snapshot period in 2017 must file Component 2 data with summary pay and hours-worked data for 2017 reporting year.

✓ **Must an employer choose the same “workforce snapshot period” for Component 2 that it chose for its Component 1 EEO-1 reporting for 2017 and 2018?**

No. Employers are permitted to choose a different workforce snapshot period for reporting Component 2 data for each of these years, if they so choose.

✓ **If employment levels fluctuate above and below 100 employees in October through December, is the employer obligated to choose for its workforce snapshot a pay period that consists of 100 or more employees?**

No. The employer is not obligated to choose a pay period when it has 100 or more employees. The employer may choose whichever workforce snapshot period it wants between October 1 and December 31 of the reporting year.

✓ **Must employers count employees who were employed during the selected workforce snapshot period even if they were no longer active employees by December 31st of that year?**

Yes. Even if an employee resigned or was terminated before December 31 of that year, the employee should be counted if the employee was employed during the employer's chosen workforce snapshot period.

The employer is only reporting the total number of full and part-time employees the employer had *during the employer-selected workforce snapshot period*. If the employee is on board during the selected workforce snapshot period, then the employee must be counted. For example, if the employer chooses a payroll period in October 2017 as its workforce snapshot period, then all the employees on the payroll during that workforce snapshot period are counted, even employees who resign or are terminated in December 2017.

✓ **Do the full and part-time employees counted for the chosen workforce snapshot period represent the total number of full- and part-time employees the employer had during the EEO-1 reporting year in each of the 12 compensation bands listed for each job category?**

Yes. The full and part-time employees counted for the chosen workforce snapshot period represent the total number of employees the employer should include in Component 2 of the EEO-1: each employee will be reflected in one of the 12 compensation bands listed for the employee's job category.

✓ **How will data about employees' sex and race or ethnicity be reported on the EEO-1 Component 2?**

After tallying the total number of employees in each compensation band by job category, employers will enter this data in the appropriate columns of the EEO-1 report based on the sex and ethnicity or race of the employees.

✓ **What are the EEO-1 job categories?**

The 10 EEO-1 job categories are:

- Executive/Senior Level Officials and Managers
- First/Mid-Level Officials and Managers
- Professionals
- Technicians
- Sales Workers
- Administrative Support Workers
- Craft Workers
- Operatives
- Laborers and Helpers
- Service Workers

These are the same 10 job categories employers have been using to report their Component 1 data.

Reporting Non-Binary Gender Employees

- ✓ **Our company is now collecting gender beyond the male/female binary. We wish to report this for the EEO-1 Component 2 data collection. How do we report it?**

Filers may report employee counts and labor hours for non-binary gender employees by job category and pay band and racial group in the comment box on the Certification Page, please preface this data with the phrase “Additional Employee Data:”. For example, “Additional Employee Data: 1 non-binary gender employee working 2,040 hours in Job Category 4, Salary Pay Band 5, Race/ethnicity non-Hispanic White. 3 non-binary gender employees; combined work hours 5,775; in Job Category 5, Salary Pay Band 8; Race/ethnicity: Employee 1 – Non-Hispanic Black, Employee 2 – Hispanic, Employee 3 – Two or more races”.

Summary Compensation Data

- ✓ **What measure of compensation should employers use in order to select the appropriate compensation band?**

To identify the compensation band in which to count an employee, employers are to use “Box 1 – Wages, tips, other compensation” of Internal Revenue Service (IRS) Form W-2 (hereafter “W-2 Box 1 income”) as the measure of pay for Component 2. Employers then tally the total number of employees who fall into each compensation band by job category. If there is no employee in a compensation band, employers should leave the cell blank.

W-2 Box 1 income is the measure of compensation to include total taxable wages, tips, and other compensation that you paid to your employee during the calendar year, as instructed by the IRS: <https://www.irs.gov/pub/irs-pdf/iw2w3.pdf>. Employers can use the W-2 Box 1 income figure calculated for end-of-year tax reporting purposes.

- ✓ **Does the employer report the W-2 Box 1 income for just the “workforce snapshot period” employees or for all employees who worked for the employer some time during that calendar year (i.e., employees terminated before the “workforce snapshot period” or hired after the “workforce snapshot period”)?”**

The employer reports the W-2 Box 1 income for only the selected “workforce snapshot period” employees.

- ✓ **Can employers reference gross annual earnings instead of W-2 Box 1 earnings because gross income does not include any deductions?**

No. Employers may not reference gross annual earnings instead of W-2 Box 1 earnings for Component 2 data.

- ✓ **Should employers calculate and then report the annual earnings for employees who did not work the full calendar year? For example, in what compensation band should an employer report an employee who was hired and then started work on July 1st with an annual salary of \$100,000, but whose W-2 Box 1 will only report \$50,000 because the employee only worked half of the year?**

No. Employers should *not* calculate and then report the annualized earnings for employees who did not work the full calendar year. Employers should use the information found in Box 1 on their employees’ W-2 to assign the employees to the relevant Component 2 compensation bands. The

employer in this example would report the July – December employee in the compensation band that corresponds with \$50,000, assuming that is the number in the employee’s W-2 Box 1.

✓ **How should employers handle reporting of W-2 wage data corrections? Should employers report the year end W-2 Box 1 wage amounts that were issued, or should employers attempt to report subsequent corrected amounts?**

Employers can choose to report subsequent corrected W-2 Box 1 amounts if they so choose. Employers are also permitted to choose the W-2 Box 1 wage amounts that were originally issued for either the 2017 or 2018 calendar year.

- ✓ **How should companies report employees who start out at a U.S. location, then transfer to an overseas location and FEIN (Federal Employer Identification Number) for a portion of the year, and then transfer back to the U.S. location? Should employers include/exclude the earnings while at overseas FEIN locations?**

Employers should use the W-2, Box 1 earnings for any employee who is at a U.S. location during the selected workforce snapshot period.

To identify the compensation band in which to count an employee, employers are to use “Box 1 – Wages, tips, other compensation” of Internal Revenue Service (IRS) Form W–2 (hereafter “W–2 Box 1 income”) as the measure of pay for Component 2. Employers then tally the total number of employees who fall into each compensation band by job category. If there is no employee in a compensation band, employers should leave the cell blank.

W-2 Box 1 income is the measure of compensation to include total taxable wages, tips, and other compensation that you paid to your employee during the calendar year, as instructed by the IRS: <https://www.irs.gov/pub/irs-pdf/iw2w3.pdf>. Employers can use the W-2 Box 1 income figure calculated for end-of-year tax reporting purposes.

- ✓ **For employees that were in one FEIN during the reporting year, please confirm that we are not required to try and split up wages by EIN for different locations resided at during different portions of the reporting year?**

No. You would report employees at the establishment where the employee resided during the selected workforce snapshot period for the specific calendar year. Employers are not required to split up W-2, Box 1 wages by locations.

Hours Worked

- ✓ **What hours must be provided?**

Component 2 has a second matrix to report hours-worked data. Each cell on the hours-worked matrix corresponds to a cell on the summary compensation data matrix. The hours worked during that year by all the employees counted in the cell on the summary compensation data matrix should be totaled and then recorded in the corresponding cell on the hours-worked matrix.

- ✓ **Are hours worked by employees to be reported under Component 2?**

Yes. Hours-worked data are reported to account for part-time and partial year employment.

For *non-exempt* employees under the Fair Labor Standards Act (FLSA), employers must report actual hours worked.

- ✓ **How do employers report hours for FLSA-exempt employees whose hours are not tracked?**

For FLSA-*exempt* employees, employers have the option to either:

- (1) report actual hours worked by the exempt employees if the employer already maintains accurate records of this information; or
- (2) report a proxy of 40 hours per week for full-time exempt employees and 20 hours per week for part-time exempt employees, multiplied by the number of weeks the employees were employed during the EEO-1 reporting year.

If an employer does not track hours for FLSA-exempt employees, the employer is permitted to report a proxy of 40 hours per week for full-time exempt employees and 20 hours per week for part-time exempt employees, multiplied by the number of weeks the employees were employed during the EEO-1 Component 2 reporting year.

✓ **If exempt employees at a company work a standard 35 hours per week, can the employer report these hours instead of the 40- or 20-hour proxy?**

Yes. The employer has the choice of whether to report actual hours or the designated proxy hours.

✓ **If the employer has an exempt employee who works 30 hours per week, but the employer does not track the actual hours of other exempt employees, can the employer report only one exempt employee's actual work hours while using the proxy for all other exempt employees?**

Yes. If the employer tracks the number of hours worked for its FLSA-exempt employees, the employer may report that number. Similarly, if the employer tracks hours worked for some, but not all, exempt employees, the employer may report the actual number of hours worked for the employees whose hours the employer tracks and use a proxy for the rest.

✓ **Will employers have to report the hours *worked* or hours *paid* for Component 2? In other words, should employers count hours for paid time off, paid sick leave, paid holidays, etc.?**

The Component 2 instructions adopt the Fair Labor Standards Act (“FLSA”) definition of hours worked. Therefore, the hours-worked data that employers will report for the EEO-1 Component 2 will be based on the same hours worked that employers record for FLSA purposes. FLSA hours worked generally do not include paid leave, such as sick leave, vacation leave, or paid holidays. Therefore, this approach will also be used for the 2017 and 2018 Component 2 reporting. Employers are encouraged to rely on the U.S. Department of Labor Wage and Hours Division resources for guidance on hours worked for FLSA purposes. See [Fact Sheet #22: Hours Worked Under the Fair Labor Standards Act \(FLSA\)](#).

For an employee who is exempt from the FLSA, employers have the option to report the designated proxy hours of 40 or 20 hours per week *for each week the employee worked that year* or, alternatively, to report actual hours worked, as defined by the FLSA, if the employer already maintains records of actual hours worked for that employee. The employer will not have to create or retain any new records of hours worked. The employer may refer to any records it already keeps for the purposes of calculating hours worked for Component 2 reporting.

✓ **Which employees are the hours aggregated for — those who worked during the “workforce snapshot period” or all employees who worked for the employer at any time during the EEO-1 reporting year (e.g., employees terminated before the “workforce snapshot period” or hired after the “workforce snapshot period”)?**

The aggregated hours worked should only be reported for those employees who worked during the selected workforce snapshot period. The aggregated hours will not include the hours worked by any employees who were terminated before the selected workforce snapshot period, nor the hours worked by employees who were hired after the selected workforce snapshot period.

✓ **What is the format for reporting W-2 Box 1 income and hours worked data?**

W-2 Box 1 income and hours-worked data will be reported first by tallying the total number of employees, and then by tallying the total number of hours these employees worked during the calendar year, for each of the 12 compensation bands in each of the 10 EEO-1 job categories, and reported by sex and race or ethnicity.

The compensation bands track the 12 compensation bands used by the Bureau of Labor Statistics in the Occupation Employment Statistics survey:

Band	Compensation Band Label
1	\$19,239 and under
2	\$19,240 - \$24,439
3	\$24,440 - \$30,679
4	\$30,680 - \$38,999
5	\$39,000 - \$49,919
6	\$49,920 - \$62,919
7	\$62,920 - \$80,079
8	\$80,080 - \$101,919
9	\$101,920 - \$128,959
10	\$128,960 - \$163,799
11	\$163,800 - \$207,999
12	\$208,000 and over

✓ **Does “paid time off” (PTO) go into the hours-worked calculation?**

The Component 2 instructions adopt the Fair Labor Standards Act (“FLSA”) definition of hours worked. Therefore, the hours-worked data that employers will report for the EEO-1 Component 2 will be based on the same hours worked that employers record for FLSA purposes. FLSA hours worked generally do not include paid leave, such as sick leave, vacation leave, or paid holidays. Therefore, this approach will also be used for the 2017 and 2018 Component 2 reporting. Employers are encouraged to rely on the U.S. Department of Labor Wage and Hours Division resources for guidance on hours worked for FLSA purposes. See [Fact Sheet #22: Hours Worked Under the Fair Labor Standards Act \(FLSA\)](#).

For an employee who is exempt from the FLSA, employers have the option to report the designated proxy hours of 40 or 20 hours per week for each week the employee *worked* that year or, alternatively, to report actual hours worked, as defined by the FLSA, if the employer already maintains records of actual hours worked for that employee. The employer will not have to create or retain any new records of hours worked. The employer may refer to any records it already keeps for the purposes of calculating hours worked for Component 2 reporting.

Multi-Establishment Reporting

✓ **If an employer has multiple establishments and some of the establishments have fewer than 100 employees, does the employer only report EEO-1 Component 2 data for establishments with more than 100 employees?**

No. An employer reports EEO-1 Component 2 data for all its establishments, including those with fewer than 100 employees. The 100 employee-threshold is for the employer as a whole after totaling employees based at headquarters and all locations or establishments.

If an employer has establishments with fewer than 50 employees, it may choose to file a Type 6 (Establishment List) or a Type 8 (Establishment Report) for those establishments, in addition to the Consolidated Report (Type 2) and Headquarters Report (Type 3). A Type 6 List is a list for an establishment with fewer than 50 employees that includes only the establishment name, address, and total employee count. A Type 8 Establishment Report is a report for an establishment with fewer than

50 employees that includes the establishment name, address, race/ethnicity, gender, summary pay, and hours-worked data by job category and by compensation band.

The Consolidated Report includes summary pay and hours-worked data for the employer's workforce as a whole and includes data for employees in the headquarters and at each establishment. If an employer chooses to file a Type 6 List for any establishment, the employer must manually enter EEO-1 pay and hours-worked data for the employees at that establishment into the Type 2 Consolidated Report. When an employer files a Type 8 Report for an establishment with fewer than 50 employees, the employer must enter summary pay and hours-worked data for that establishment's employees into the Type 8 Report. The *Component 2 EEO-1 Online Filing System* at <https://eeocomp2.norc.org> will automatically populate the Type 2 Consolidated Report with the Type 8 Report summary pay and hours-worked data.

The employee data entered into a Type 4 Establishment Report for establishments with 50 or more employees will also automatically populate the Type 2 Consolidated Report.

✓ **If an employer submitted a Type 8 report (or Type 6 Report) for its 2018 Component 1 filing, must a Type 8 Report (or Type 6 Report) also be submitted for Component 2?**

No. Employers are still permitted to choose either a Type 6 List or a Type 8 Report for each establishment with fewer than 50 employees for the Component 2 EEO-1 collection for calendar years 2017 and 2018. For example, if an employer submitted a Type 6 List for its Component 1 data for 2017, the employer may choose to submit a Type 8 Report in 2017 for Component 2 for that same establishment. Employers are not required to choose the same type of report or list that they chose for Component 1 in either 2017 or 2018.

✓ **We have changed vendors for our EEO-1 reporting software since 2017. In 2017, for Component 1, we filed Type 8 reports for establishments with less than 50 employees. For 2017 Component 2 data, can we file those same establishments with our new software as Type 6 reports?**

Yes. Employers are still permitted to choose either a Type 6 List or a Type 8 Report for each establishment with fewer than 50 employees for the Component 2 EEO-1 collection for calendar years 2017 and 2018. For example, if an employer submitted a Type 6 List for its Component 1 data for 2017, the employer may choose to submit a Type 8 Report in 2017 for Component 2 for that same establishment. Employers are not required to choose the same type of report or list that they chose for Component 1 in either 2017 or 2018.

✓ **Should we assume that we will count the wages and hours at the establishment where employees were physically located (as opposed to the corporate location they reported to) as of December 31, 2017 or December 31, 2018 depending on the calendar year in question?**

You would report employees at the establishment where the employee was physically located during the selected workforce snapshot period for the specific calendar year.

Acquisitions and Mergers

✓ **Our company acquired another company in August 2017. Are we now required to submit 2017 and 2018 compensation data for this acquired subsidiary?**

If the acquisition was completed before the acquiring company's selected workforce snapshot period for 2017, the acquiring company would be responsible for submitting Component 2 data for 2017. Similarly, even if the acquisition occurred after the acquiring company's selected workforce snapshot period for 2017, the acquiring company would be responsible for submitting 2017 Component 2 data if you have access to the acquired company's data. In situations where a company experienced an acquisition or merger and does not have access to the Component 2 data from the acquired or former company, employers should note this in the comments box on the certification page in the *Component 2 EEO-1 Online Filing System*.

The acquiring company would be responsible for 2018 Component 2 data for the selected workforce snapshot period if it otherwise meets the reporting requirements.

✓ **In 2017, we merged with another company to create a completely new company. What Component 2 data is the new company responsible for filing?**

If the merger was completed before the new company's selected workforce snapshot period for 2017, the newly created company would be responsible for submitting Component 2 data for 2017. Similarly, even if the merger occurred after the new company's selected workforce snapshot period for 2017, the new company would be responsible for submitting 2017 Component 2 data if you have access to the former company's data. In situations where a company experienced an acquisition or merger and does not have access to the Component 2 data from the acquired or former company, employers should note this in the comments box on the certification page in the *Component 2 EEO-1 Online Filing System*.

The new company would be responsible for 2018 Component 2 data for the selected workforce snapshot period if it otherwise meets the reporting requirements.

✓ **How should companies that experienced acquisitions or mergers report Component 2 data when all or part of that data is not available?**

Example: We acquired a company and merged it fully into our current company. The person who completed the 2017 Component 1 report of the acquired company is not employed by our current company and we cannot locate the file that was used for the 2017 Component 1 report.

In situations where a company experienced an acquisition or merger and does not have access to the Component 2 data from the acquired or former company, employers should note this in the comments box on the certification page in the *Component 2 EEO-1 Online Filing System*.

✓ **How do we file 2017 and 2018 Component 2 data for an acquired company?**

Example: We acquired 100% of a company with 500 employees on August 1, 2018. The acquired company filed its own single establishment Component 1 report in 2017 and under its own company number. The acquired company used a December 2017 workforce snapshot period. In 2018, we filed a Component 1 Type 4 report under our company number based on a December 2018 workforce snapshot. For 2018, do we file a Component 2 Type 4 report under our corporate umbrella?

Yes. For 2018, you would file Component 2 data under your "corporate umbrella."

- ✓ **Related to the FAQ example above, do we report just the W-2, Box 1 earnings and hours worked during the time frame of August 1, 2018, through December 31, 2018, while we owned the acquired company? Or do we report the entire 2018 calendar year data combining both W-2, Box 1 wages and hours worked before the acquisition with the W-2 wages and hours worked after the acquisition?**

You do not need to combine W-2 wages and hours worked from both before and after the acquisition. You can report W-2 wages and hours worked for employees after the acquisition. However, you should be consistent with how you report wages and hours-worked data. If you report W-2, Box 1 wages for both before and after the acquisition, you should likewise report hours-worked data for both before and after the acquisition. But, if you report W-1, Box 1 wages only for the period after the acquisition, you should also report hours-worked data only for the period after the acquisition.”

- ✓ **For 2017, do we also file the acquired company under our corporate company number? Or do we file it under the old company number used in 2017 that no longer exists today as a legal entity? Or do we simply not report the data for this acquired company for 2017 because it was not a legal entity of any current company.**

For 2017, your company would be responsible for submitting 2017 Component 2 data only if your company has access to the acquired company’s data. If you have access to the data, you should file under your corporate company number, and not under the old company number.

In situations where a company experienced an acquisition or merger and does not have access to the Component 2 data from the acquired or former company, employers should note this in the comments box on the certification page in the *Component 2 EEO-1 Online Filing System*.

- ✓ **How should companies report a company newly acquired in 2018? For the 2017 Component 2 filing should it be reported separately and then jointly for the 2018 Component 2 filing? Or should they be kept separate while the company is awaiting EIN integration?**

Employers are free to choose to report either separately or jointly.

- ✓ **In 2018, my company acquired another company with 75 employees and no federal government contracts. Who is responsible for filing 2017 Component 2 data for these employees?**

The acquired company did not meet the requirements to file EEO-1 reports prior to the acquisition. It is not required to provide 2017 Component 2 data, nor is the acquiring company. The acquiring company is only responsible for filing 2018 Component 2 data for these employees if the overall company otherwise meets the 100-employee reporting threshold.

Spinoffs

- ✓ **My company is a January 2018 spinoff of another company. Our former parent company is the owner of the employee data for 2017 and years prior. How would we file 2017 Component 2 EEO-1 data for our new company?**

The spinoff company is not responsible for filing 2017 Component 2 data for its employees, as it was still affiliated with the former parent company in 2017. It would be the responsibility of the former parent company to file 2017 Component 2 data for those employees. The newly formed company would be responsible for 2018 Component 2 data for the selected workforce snapshot period.

- ✓ **Our parent company sold a part of our business on July 1, 2018. Are we still required to file both 2017 and 2018 Component 2 data for this entity?**

The company that purchased the business would be responsible for filing 2017 and 2018 Component 2 data. In situations where a company experienced an acquisition or merger and does not have access to the Component 2 data from the acquired or former company, employers should note this in the comments box on the certification page in the *Component 2 EEO-1 Online Filing System*.

Professional Employer Organizations (PEOs)

- ✓ **Our PEO (Professional Employer Organization) has a former client company that terminated its relationship with us in January 2019. Who is responsible for reporting Component 2 data for this former client company for 2018 and 2017?**

The former client company is responsible for reporting Component 2 data for 2018 and 2017. If the company is no longer a client of the PEO, the former client company is responsible for filing 2018 and 2017 Component 2 data if it met the reporting requirements for the 2018 and 2017 workforce snapshot periods. A PEO is not responsible for filing Component 2 data of entities that are former clients at the time of filing.

- ✓ **If our PEO is only contracted with a portion of a client company, would we be responsible for filing 2017 and 2018 Component 2 data for the entire client company?**

No. When a PEO and a client company's contracting agreement does not include 100 percent of the covered client company's employees, the covered client company, not the PEO, is responsible for filing Component 2 data.

- ✓ **Our PEO is the W-2 employer of client employees that work at an establishment with 45 employees. Would we be required to file 2017 and 2018 Component 2 data for these client employees?**

This company, on its own, would not have been subject to the EEO-1 filing requirements. As such, a PEO is not required to report Component 2 data for employees that would not be reported but for the PEO relationship.

- ✓ **We have a client company that did not file EEO-1 reports prior to becoming our client in November 2018. Should our PEO report the client's 2017 and 2018 Component 2 data under our EEO-1 database?**

If the client company met the threshold to file EEO-1 reports in the selected workforce snapshot period in 2017, the client is responsible for filing its 2017 Component 2 data and possibly its 2018 data. The PEO is only responsible for filing 2018 Component 2 data for the client company if it met the reporting requirements and was a PEO client during the 2018 workforce snapshot period.

- ✓ **If a PEO client with over 100 employees has multiple small establishments with the same EIN, can the PEO combine all the establishments into one Component 2 report for that client?**

No. The PEO would report compensation and hours-worked data for all client establishments, including those with fewer than 100 employees. The only instance in which client locations may be combined is when the establishments are located at the same address, have the same North American Industry Classification System (NAICS) code, and the same EIN.

Component 2 EEO-1 Online Filing System

✓ **How will employers report the Component 2 data?**

The Component 2 data is reported under “Section D – Employment Data.” Employers will report this data through the *Component 2 EEO-1 Online Filing System* or by creating a data file and inputting their data in the appropriate fields in accordance with the data file specifications. Please note that when submitting a data file, the file layout must match the data file specifications exactly.

✓ **Will 2017 and 2018 Component 1 data be available and visible in the Component 2 EEO-1 Online Filing System?**

No. Employers will be unable to access their 2017 and 2018 Component 1 reports in the Component 2 EEO-1 *Online Filing System*.

✓ **Will EEOC transfer the data from previously submitted EEO-1 Reports from 2017 and 2018 into the Component 2 EEO-1 Online Filing System?**

No. Data from previously filed 2017 and 2018 EEO-1 Reports will not be in the new online application for the reporting of Component 2 data. There will be no pre-population of historical data in the Component 2 EEO-1 *Online Filing System*.

Confidentiality of Component 2 Compensation Data

✓ **How will the EEOC respond to a FOIA request for an employer’s Component 2 EEO-1 report?**

The EEOC assesses FOIA requests at the time they are received. FOIA Exemptions 3 and 4 may protect an employer’s Component 2 EEO-1 reports from disclosure. FOIA Exemption 3 covers information that is prohibited from disclosure by another federal law. Section 709(e) of Title VII, in turn, forbids “any [EEOC] officer or employee” from making “public in any manner whatever any information obtained by the Commission . . . prior to the institution of any [Title VII] proceeding . . . involving such information.”¹ FOIA Exemption 4 protects privileged and confidential trade secrets and commercial or financial information. Pursuant to the Supreme Court’s recent decision, *Food Marketing Institute v. Argus Leader Media*, --- S. Ct. ---, 2019 WL 2570624 (June 24, 2019), Exemption 4 protects information that is customarily and actually treated as private by its owner and provided to the government under an assurance of privacy.

Data System Security

✓ **How will NORC protect my company’s data and keep it secure in the Component 2 EEO-1 Online Filing System?**

NORC takes the matter of computer and system security very seriously. The systems developed to collect your company’s data have multiple layers of security and protection. The Component 2 EEO-1 Online Filing System uses the Hyper Text Transfer Protocol (HTTPS) with a Secure Socket Layer (SSL) supporting the HTTP Strict Transport Security (HSTS) to protect the Component 2 EEO-1 website and access to the filing system against security attacks. As a further safeguard, the actual Component 2 EEO-1 Online Form where you enter your company’s information does not store any of that data on the web servers where the online form resides. Rather, all Component 2 data reported

¹ 42 U.S.C. 2000e-8(e).

through the filing system or upload process are stored inside the NORC's firewalls in storage spaces dedicated only to this data collection effort. NORC uses firewalls that provide security against external threats by using a fleet of latest security features. In addition to the built-in applications for threat protection, NORC's firewalls dynamically block port scans, deny access to entities that attempt to enter our systems from outside the United States, and provides distributed denial-of-service (DDoS) protection. Continuous monitoring of network traffic identifies potential threats and generates automated notifications for immediate attention of the information security team.

The Component 2 data collection systems, both the online form and the data upload process, are deployed in secure physical servers. Access to the *Component 2 EEO-1 Online Filing System* is secured through a multi-tiered user authentication process which prevents unauthorized access to the data collection systems. Once inside the filing system, users only have the ability to add or update data for their own employer. Unedited raw data collected through these processes are encrypted during transmission following the FIPS 140-2 compliance, and transfer of all data utilizes the NIST 800-53 security framework.

The subsequent processing of Component 2 data takes place in a secure location on the private network within NORC where access is granted only to individuals who are authorized to work on these files. All NORC staff who have access to Component 2 EEO-1 Compensation Data are annually trained to maintain data security and confidentiality and have signed Non-Disclosure Agreements (NDA) in which they pledge not to disclose, publish, divulge, release, or make known to any individual other than an authorized NORC or EEOC employee, any non-public information or any sensitive information gained in connection with the performance of their job responsibilities. At NORC, failure to comply with the NDA results in immediate job termination.

By implementing a comprehensive solution for Component 2 EEO-1 Compensation Data collection, processing, and storage in a highly secured environment, NORC ensures that your company data is well protected from unauthorized access and use.

[Additional Information](#)

The EEOC has contracted with NORC at the University of Chicago to conduct the Component 2 EEO-1 Compensation Data Collection for 2017 and 2018. If you have any further questions about this collection, please contact NORC toll-free at (877) 324-6214 or send an email to EEOCcompdata@norc.org.

Alternately, you may reach NORC via U.S. mail at the following address:

EEOC Component 2 EEO-1 Data Collection
NORC
55 E Monroe St.
Ste. 1900
Chicago, IL 60603-9914