

U.S. Department of Labor

Office of Federal Contract  
Compliance Programs  
Boston District Office  
JFK Federal Building, Room E-235  
Boston, MA 02203  
(617) 624-6780  
(617) 624-6702 FAX



CONCILIATION AGREEMENT  
BETWEEN  
THE U.S. DEPARTMENT OF LABOR  
OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS  
AND  
WALGREENS CORPORATION

OFCCP COMPLAINT NO. I00189423

**PART I. PRELIMINARY STATEMENT**

The Office of Federal Contract Compliance Programs ("OFCCP") initiated a complaint investigation at Walgreens Corporation (Walgreens) establishment located at 1010 Broadway Avenue, Chelsea, MA 02150 on March 28, 2014 and found that Walgreens was not in compliance of the Executive Order 11246, as amended and implementing regulations at 41 CFR Chapter 60 and Title VII of the Civil Rights Act of 1964. OFCCP notified Walgreens of the initial violations found and the corrective actions required in a Notification of Results of Investigation issued on September 9, 2015. In the interest of resolving the violations without engaging in further legal proceedings and in exchange for the good and valuable consideration described in this document, OFCCP and Walgreens enter this contract ("Conciliation Agreement" or "Agreement") and agree to all the terms stated below.

**PART II: GENERAL TERMS AND CONDITIONS**

1. In exchange for Walgreens' fulfillment of all obligations in Parts III and IV of the Agreement, OFCCP agrees not to institute administrative or judicial enforcement proceedings under E.O. 11246 based on the violations described in more detail in Part III below. However, OFCCP has the right to initiate legal proceedings to enforce the Agreement itself or to correct and obtain relief for the violations described in Part III if Walgreens violates this Agreement. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. Walgreens agrees that OFCCP may review compliance with this Agreement. As part of such review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. Walgreens will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all reports and documents requested.
3. Walgreens understands that nothing in this Agreement relieves Walgreens of its obligation to fully comply with the requirements of the Executive Order 11246, as

amended, and/or Section 503 of the Rehabilitation Act of 1973, as amended, and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, and implementing regulations, or any other equal employment statute or executive order or its implementing regulations.

4. Walgreens promises not to harass, intimidate, threaten, discriminate, or otherwise retaliate against any individual because the individual: benefits from this Agreement, files a complaint or participates in any investigation or proceeding under E.O. 11246, Section 503, and/or VEVRAA, or engages in any activity listed at 41 C.F.R. § 60-1.32(a).
5. The parties understand the terms of this Agreement and enter into it voluntarily.
6. This document and its attachments contain the complete and final understanding of the parties with respect to the matters referenced herein. This Agreement contains all terms by which the parties are bound and it supersedes all prior written or oral negotiations and agreements. There will be no modifications or amendments to this Agreement unless they are in writing, signed by all parties.
7. If one or more provisions of this Agreement are rendered unlawful or unenforceable, the remaining provisions will remain in full force and effect.
8. This Agreement will become effective on the day it is signed by the Regional Director of the Northeast Region (the "Effective Date") unless the Director of OFCCP indicates otherwise within 45 calendar days of the date the Regional Director signs the Agreement.
9. This Agreement will expire sixty (60) days after Walgreens submits the final report required in Part IV below, unless OFCCP notifies Walgreens in writing prior to the expiration date that Walgreens has not fulfilled all of its obligations under the Agreement, in which case, the Agreement is automatically extended until the date that OFCCP determines Walgreens has met all of its obligations under the Agreement.
10. If Walgreens violates this Conciliation Agreement,
  - A. The procedures set forth at 41 C.F.R. § 60-1.34 will govern:
    - 1) If OFCCP believes that Walgreens violated any term of the Agreement while it was in effect, OFCCP will send Walgreens a written notice stating the alleged violations and summarizing any supporting evidence.
    - 2) Walgreens will have 15 days from receipt of such notice to demonstrate in writing that it has not violated the Conciliation Agreement, unless such a delay would result in irreparable injury to the employment rights of affected employees or applicants.
    - 3) If Walgreens is unable to demonstrate that it has not violated the Agreement, or if OFCCP alleges irreparable injury, enforcement proceedings may be initiated immediately without issuing a show cause notice or proceeding through any other

requirement.

4) OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations resolved by this Agreement.

**B.** Walgreens may be subject to the sanctions set forth in Section 209 of the Executive Order and/or other appropriate relief for violation of this Agreement.

11. This Agreement does not constitute an admission by Walgreens of any violation of E.O. 11246, Section 503, VEVRAA, or other laws, nor has there been an adjudicated finding that Walgreens violated any laws.

### **PART III: SPECIFIC PROVISIONS**

1. **VIOLATION:** Walgreens discriminated against one (1) employee because she had engaged in protected activities, in violation of 41 CFR § 60-1.32. Specifically, Walgreens terminated **6 & 7 (c)** for participating in OFCCP Complaint #I00189423. During an onsite investigation, OFCCP gathered and reviewed Walgreens' records of disciplinary actions and attendance policies, which identified significant evidence that **6 & 7 (c)** was terminated and retaliated against for participating in an interview for a previous OFCCP's complaint investigation. Additionally, Walgreens failed to maintain and ensure an environment free of harassment, intimidation, and coercion at its facility at which Walgreens' employees worked.

**REMEDY:** Effectively immediately, Walgreens will cease and desist from this violation and ensure that it does not reoccur. Walgreens will take action to ensure a work environment free of harassment, intimidation, retaliation, and coercion against any employees, who participate in protected activities. Specifically, Walgreens will implement the following:

- A. Walgreens will ensure that managers, supervisors, and employees receive training regarding compliance with 41CFR § 60-1.32.
- B. Walgreens will monitor its personnel activity for any actions that may violate 41 CFR 60-1.32, take corrective action to eliminate any such actions and ensure that they do not recur, and document such monitoring and any corrective action taken.
- C. Monetary Settlement: The total monetary settlement of \$15,000 (\$13,611 in back pay and \$1,389 in interest) will be subject to normal federal and state withholding taxes. Within 30 calendar days of the Effective Date of this Agreement, Walgreens will mail a certified check to **6 & 7 (c)**'s most current home address.

**FUTURE CONDUCT:** Walgreens will not repeat the above violation.

**PART IV: REPORTS REQUIRED**

In order for OFCCP to monitor Walgreens' progress toward fulfilling the provisions of this Agreement, Walgreens will submit two reports as identified below.

Walgreens shall send the report to:

U. S. Department of Labor  
Office of Federal Contract Compliance Programs  
Boston District Office  
JFK Federal Building, Room E-235 (Low Rise)  
Boston, MA 02203  
(Attention: 6 & 7 (c))

1. The *first report* is due within 90 days from the date of the Regional Director's signature and will include:
  - a) Documentation of the payment made to the Complainant 6 & 7 (c) The documentation must include, but not be limited to: the number and the amount of the check and date the check cleared the bank, Attachment A or a copy of a canceled check.
  - b) Documentation that Walgreens provided equal employment opportunity rights and responsibilities training at the Walgreens Chelsea store located at 1010 Broadway Avenue, Chelsea, MA 02150. Training must include maintaining a work environment free of intimidation, to all employees including legal prohibitions against discrimination on the basis of sex, race, color, national origin, religion, disability and veteran status, and its commitment to diversity and nondiscrimination, as required by the Remedy for Violation No. 1 in this Conciliation Agreement. This documentation will include, but not be limited to, the following: copies of attendance sheets, date and time of training.
  - c) Documentation that Walgreens has designated a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out.
2. The *second report* will be due six months from the date of this Agreement and will include a narrative description of the report on personnel activity monitoring during the time period.

Walgreens shall retain all records pertinent to the violation resolved by this Conciliation Agreement and the reports submitted under it (including the underlying data/information upon which the reports are based) until the expiration date of this Conciliation Agreement or consistent with regulatory timeframes, whichever is later.

**Termination Date:**

The termination date of this Agreement will be sixty (60) days after receipt of the final progress report or if compliance is not accomplished by that date, then this Agreement shall remain in full force and effect until compliance is achieved.

**Integration Clause:** This Agreement represents the full Agreement between Walgreens and OFCCP and this Agreement supersedes any other agreements, oral or written. In signing this Agreement, neither Walgreens nor OFCCP relies upon any promise, representation of fact or law, or other inducement that is not expressed in this Agreement. This Agreement may be modified only by written agreement of the parties affected and may not be modified by any oral agreement.

**Part V: SIGNATURES**

Personal Warranty Clause:

The person signing this Conciliation Agreement on behalf of Walgreens Corporation personally warrants that he is fully authorized to do so, that Walgreens Corporation entered into this Conciliation Agreement voluntarily and with full knowledge of the effect thereof, and that execution of this Agreement is fully binding on Walgreens Corporation. This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Walgreens Corporation.

**6 & 7 (c)**

Frank Bear  
Sr. Counsel  
Walgreens Corporation

9/15/15  
Date

**6 & 7 (c)**

Compliance Officer  
Boston District Office  
OFCCP-Northeast Region

9/17/15  
Date

**6 & 7 (c)**

Mandi B. Costa  
Assistant District Director  
Boston District Office  
OFCCP-Northeast Region

9/17/15  
Date

**6 & 7 (c)**

Rhonda Aubin-Smith  
District Director  
Boston District Office  
OFCCP-Northeast Region

9/17/15  
Date

**6 & 7 (c)**

Diana Sen  
Regional Director  
New York Regional Office  
OFCCP-Northeast Region

9/18/15  
Date