

UNITED STATES DEPARTMENT OF LABOR
OFFICE OF ADMINISTRATIVE LAW JUDGES

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OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS, UNITED STATES DEPARTMENT OF LABOR, OALJ Case No. 2017-OFC-00006
OFCCP No. R00192699

Plaintiff,

v.

ORACLE AMERICA, INC.,

Defendant.

**CERTIFIED
TRANSCRIPT**

Deposition of

LYNNE ANN CARRELLI

Friday, MAY 24, 2019

REPORTED BY:
TINA MARIE VELASQUEZ, CSR NO. 10072
Job No.: 105036



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18 ---o0o---

1 entities that you mentioned before, like finance, would
2 the H.R. business partner, the entities that you
3 mentioned, be your clients?

4 MS. MANTOAN: Objection. It's vague and
5 ambiguous.

6 THE WITNESS: My clients would be an H.R.
7 business partner who supports a direct report of Safra
8 Catz.

9 BY MR. GARCIA:

10 Q. Do you have any other clients?

11 MS. MANTOAN: Objection; vague.

12 THE WITNESS: Are you speaking in terms of H.R.
13 business partners?

14 BY MR. GARCIA:

15 Q. No. Who are your clients?

16 MS. MANTOAN: Objection; asked and answered,
17 and it's vague.

18 BY MR. GARCIA:

19 Q. Besides the ones that you just identified.
20 Are there any other clients you have?

21 A. If you're asking in terms of H.R. business
22 partners...

23 Q. Do you have any clients who are not H.R.
24 business partners?

25 MS. MANTOAN: Objection; vague.

1 THE WITNESS: I guess when I say, "H.R.
2 business partners," they're my direct clients, then they
3 have H.R. reps that support them, but I'm not interacting
4 with the H.R. reps in general.

5 BY MR. GARCIA:

6 Q. So your main focus is the H.R. business
7 partners themselves?

8 A. Correct.

9 Q. Do you have any other major focus, other than
10 the H.R. business partners that you interact with?

11 MS. MANTOAN: Objection; vague.

12 THE WITNESS: My primary focus is the H.R.
13 business partners.

14 BY MR. GARCIA:

15 Q. Okay. Do you know when the global
16 compensation team was formed?

17 A. It was formed around the time that Kris
18 Edwards joined. Maybe a year after she joined.

19 Q. So that would be, like, two or three years
20 ago?

21 A. Yeah, because I think I stated she -- I
22 worked for her for about three years.

23 Q. Did you know what Kate Waggoner did before
24 she assumed leadership of the global compensation team?

25 A. Yes.

1 Q. What did she do?

2 A. She was a member of corporate compensation.

3 Q. Was Lisa Gordon a member of corporate
4 compensation team, too?

5 A. Yes.

6 Q. And in terms of Kate Waggoner's clients, was
7 she responsible for sales and consulting in that role?

8 MS. MANTOAN: Objection; vague.

9 BY MR. GARCIA:

10 Q. I'm talking about couple of years ago, before
11 she took the global compensation team.

12 MS. MANTOAN: Same objection.

13 THE WITNESS: She never had sales.

14 BY MR. GARCIA:

15 Q. Kate Waggoner never had sales?

16 A. Not that I recall.

17 Q. Do you recall what functions that Lisa Gordon
18 had?

19 MS. MANTOAN: Objection; vague as to
20 "functions."

21 BY MR. GARCIA:

22 Q. What parts of the business that Lisa Gordon
23 had?

24 A. We would have been broken up by lines of
25 business.

1 Q. Yes.

2 A. -- when she states "manage"...

3 Q. So that's what she did, correct?

4 A. So I'm going to make a correction here. So
5 she would have overseen the programs.

6 Q. And that's base pay and variable pay is what
7 you're referring to as programs, right?

8 A. That's base -- corporate bonus. That would
9 be a portion of variable pay. That excludes sales.

10 Q. Thank you.

11 So, now, I'm going to have you turn to the next
12 page, 4006. So I'm going to have you look at item number
13 five. Do you see that?

14 A. Yes.

15 Q. I'm going to read item number five: Quote,
16 "Are there any written policies or guidelines the company
17 uses in making compensation decisions in addition to
18 what's been provided to us which was Oracle's
19 compensation guidelines, Oracle's" -- correction --
20 "Oracle's compensation guidelines, Global compensation
21 training, and compensation review and oversight? If so,
22 please provide copies of the policies," end quote.

23 Did I read that correctly?

24 A. Yes.

25 Q. And the answer underneath it says, quote,

1 Q. I'm talking a calendar year, 2018, did a
2 focal review process ever happen in that year?

3 A. No.

4 Q. And were you considering the focal review
5 process that happened in the latter half of 2017 to be
6 fiscal year 2018?

7 MS. MANTOAN: Objection; vague and ambiguous.

8 BY MR. GARCIA:

9 Q. The focal review --

10 A. I'm referring to those two dates.

11 Q. Okay. So the focal review process that
12 occurred that resulted in the January 1st, 2018, salary
13 increase --

14 A. Okay.

15 Q. -- what Oracle fiscal year did that occur in?

16 A. That would have been fiscal year eight --
17 that would have been fiscal year '18.

18 Q. And Oracle's fiscal year starts on June 1st?

19 A. June 1st.

20 Q. And goes to May 31st, correct?

21 A. Right.

22 Q. Are you familiar with the global job table,
23 Oracle's global job table?

24 A. Yes.

25 Q. Okay. And does Oracle's global job table

1 consist of five parts: a job function, a job specialty, a
2 job title, a job code, and a global career level?

3 A. Yes.

4 Q. And the combination of a job function, a job
5 specialty, a job title, and a global career level results
6 in a unique job code; is that correct?

7 A. Correct.

8 Q. And that unique job code doesn't have -- only
9 has one combination of a job function, job specialty, job
10 title, and global career level, correct?

11 A. Correct.

12 Q. And that job code has a salary and grade
13 assigned to it, correct?

14 A. Correct.

15 Q. But that salary grade can be assigned to
16 multiple job codes, correct?

17 A. Correct.

18 Q. And that salary grade has a salary range
19 assigned to it, correct?

20 A. Correct.

21 Q. And each salary grade only has --

22 A. In most cases.

23 Q. And what are the exceptions?

24 A. Executive.

25 Q. And by "executive," you mean what management

1 level and above? M7 and above?

2 A. It would generally be -- no. It's above M7.
3 It would generally be M8 and above.

4 Q. Okay. Thank you.

5 Now, each salary grade would only have one
6 salary range assigned to it, correct, that would change
7 over years?

8 MS. MANTOAN: Is your question limited to HQ, a
9 single location?

10 THE WITNESS: Yeah.

11 MR. GARCIA: Okay. Thank you.

12 Q. My questions for the global job table are
13 related to Redwood Shores. Do you understand that?

14 A. Okay.

15 Q. Would your answers change?

16 A. Can you restate what you just -- the
17 question?

18 Q. Would your answers have changed about what
19 you just said for the job function, job specialty,
20 because I didn't mention Redwood Shores, or do --

21 A. No.

22 Q. Okay. Thank you.

23 So would each salary grade only have at any one
24 point in time one salary range associated with it?

25 MS. MANTOAN: Again, is this limited to at HQ?

1 MR. GARCIA: Right --

2 THE WITNESS: At HQ?

3 BY MR. GARCIA:

4 Q. All these questions, until I say otherwise,
5 are for the Redwood Shores headquarters.

6 A. Okay. Yes.

7 Q. Do you know if Oracle considers jobs having
8 the same salary grade to have the same value to Oracle?

9 MS. MANTOAN: Objection; vague, calls for
10 speculation, vague as to "value."

11 THE WITNESS: Can you restate that?

12 BY MR. GARCIA:

13 Q. Let me just show you a document. Now,
14 previously, we had some documents that were previously
15 marked in a previous deposition, and so we're going to
16 sequentially select and use the exhibit number. So that
17 was Exhibit 7 from Ms. Waggoner's deposition.

18 Now, have you ever seen the document at
19 Exhibit 7 before?

20 A. Yes.

21 Q. What is it?

22 A. Managing compensation, July of 2016.

23 Q. And would this be a document that the global
24 compensation team posted that someone in H.R. could
25 access?

11:35:23 1 A I look at so many PowerPoint
2 presentations.

3 Q I have to ask, you know. If you know,
4 you know.

11:35:28 5 A I don't know --
6 (Simultaneous cross-talking.)

7 Q If you don't know, you don't know.

8 A -- any particular.

9 Q Okay. And again, I'm going to ask, do
11:35:35 10 you recall looking at any PowerPoint presentations
11 for the focal review in 2017 or 2018?

12 A I -- I -- I don't recall --

13 Q Again --

14 A -- if it's PowerPoint or e-mail or which
11:35:49 15 ones I looked at, the format of the -- of the -- of
16 the thing.

17 Q Now, you said you received e-mails. What
18 types of information is in the e- -- e-mails
19 regarding the process beyond, let's say, a timeline
11:36:02 20 that -- when things have to be accomplished by?

21 What else beside that?

22 A There's some general guidance on -- focus
23 on the top performers and make sure top performers
24 are, you know -- you know, properly compensated,
11:36:22 25 yes.

11:52:38 1 are going to have different eligibility
2 requirements, right, than the focal review?

3 A Correct.

4 Q I apologize for asking it while you were
11:52:48 5 drinking.

6 A Yeah.

7 Q And I -- I understand that bonuses will
8 have different targets, you know, that either groups
9 or lines of business have to be made -- made that
11:53:02 10 are not in the focal reviews.

11 So with that understanding of those
12 differences, are there any other major differences
13 between the process that you just described for the
14 focal review and the process that's done for the
11:53:16 15 bonuses?

16 A The major difference is bonus focuses on
17 accomplishments in the last -- since the last
18 period.

19 Q By "the last period," do you mean --

11:53:28 20 A The last bonus -- since the last
21 compensation period.

22 Q So you mean since -- bonuses focus on
23 accomplishments since the last focal review?

24 A Well, since the last bonus review, yes.

11:53:43 25 Q Well, what I'm trying to understand is,

1 MS. MANTOAN: Objection. It's vague and
2 ambiguous.

3 THE WITNESS: I mean that the upper leaders, we
4 eventually have to get to a sign-off. And by that, I
5 would mean in my example — I'm only going to speak to my
6 responsibilities — we would be obtaining Safra's
7 sign-off as an example.

8 BY MR. GARCIA:

9 Q. So does Larry Ellison ever have to approve
10 salary increases for the lines of business that you
11 support?

12 A. Technically, no. It's Safra.

13 Q. Has he in the past, from January 1st, 2013,
14 to January 18, 2019, ever approved any of the base salary
15 increases?

16 A. You're asking me to comment on a group that I
17 don't know, because I don't handle --

18 Q. I'm talking about the groups that you handle.
19 Do you understand that?

20 A. I understand groups -- okay, the groups that
21 I handle.

22 Q. Has he ever made an approval to the
23 recommendations for pay increases from January 1st, 2013,
24 to January 18, 2019?

25 A. You're asking me to speculate. Safra's the

1 top-level approval for the groups that I handle.

2 Q. And I'm asking you to your knowledge. So --

3 A. "I don't know" is the response, other than
4 generic sign-off.

5 Q. Okay. So, now, why does it -- do you know
6 why there are no communications until it receives the
7 final sign-off?

8 A. Because we want to ensure that -- things
9 could change prior to. Just because a manager entered an
10 amount, that amount could change. So we want to ensure
11 that there aren't any communications until it is set in
12 stone and signed off.

13 Q. Do you know how many times it changes?

14 A. I don't.

15 Q. Is there any record kept of how many times it
16 changes?

17 A. No. That I'm aware of.

18 Q. Who can change what a manager allocated?

19 MS. MANTOAN: Objection. It's compound. It's
20 vague and ambiguous.

21 BY MR. GARCIA:

22 Q. You said there could be changes made. So
23 who --

24 A. There can be changes made.

25 Q. Who can make the changes?

1 MS. MANTOAN: Objection. It's compound, and
2 it's a single question about every level of management
3 and every decision.

4 BY MR. GARCIA:

5 Q. I'm talking about the process. Who can make
6 a change to what a subordinate manager recommended?

7 MS. MANTOAN: Same objections.

8 THE WITNESS: If manager X-Y-Z submits a
9 recommendation, anyone above that manager could
10 ultimately, as an example, make a change.

11 BY MR. GARCIA:

12 Q. Up to and include the final approval being
13 Safra Catz for your organization, correct?

14 A. Technically, yes.

15 Q. And you don't personally know the amount of
16 changes that actually occur, correct?

17 A. I don't have --

18 MS. MANTOAN: Objection. It assumes facts.

19 BY MR. GARCIA:

20 Q. Okay. So when a supervisor is making a
21 decision in terms of what amount that they can make, I'm
22 trying -- and I'll just give you a general thing, and
23 then I'll ask my specific question. I'm trying to
24 understand what information that person has available to
25 them.

1 A. Generally, yes.

2 Q. And then if they have questions about the
3 document at Exhibit 11, then you answer them?

4 A. Correct.

5 MS. MANTOAN: Counsel, I don't want to forget
6 to put something on the record about these exhibits. I
7 believe this Exhibit 11 was produced confidential, and
8 then you've put on Bates numbers with pages. Is that
9 correct?

10 MR. GARCIA: My understanding, Counsel, is that
11 if you looked at the meta data, it was marked
12 confidential. And if you look at the file -- if you look
13 at the Bates stamp numbered -- the Bates stamp number for
14 Exhibit 11 would be 381306.

15 MS. MANTOAN: Okay.

16 MR. GARCIA: Oracle only put one Bates stamp
17 number to the whole document. To make it easier to look
18 at individual pages, we added the dash and then the
19 specific page number.

20 MS. MANTOAN: Okay. I just wanted to have the
21 record clear that Exhibit 11, which you're talking about
22 with the witness now — same thing for Exhibit 52 and
23 Exhibit 7 — they were all produced with a confidential
24 designation, and we would retain those.

25 MR. GARCIA: To my knowledge, yes.

1 MS. MANTOAN: Thank you.

2 BY MR. GARCIA:

3 Q. So -- sorry. I want you to look at slide 39,
4 which is actually dash-75, Oracle HQ 381306-75.

5 Okay. So this page here at 75, it's similar to
6 the other one where it says, quote, "Do not communicate
7 recommendations until you receive notification that
8 corporate compensation has obtained final approval."

9 Did I read that correctly?

10 A. You read that correctly.

11 Q. And the "do not" is in red, bolded print,
12 correct?

13 A. Correct.

14 Q. When it refers to corporate compensation,
15 who's it referring to?

16 MS. MANTOAN: Objection. It calls for
17 speculation, since she didn't author this document.

18 BY MR. GARCIA:

19 Q. Do you know who it's referring to?

20 MS. MANTOAN: The question still calls for
21 speculation.

22 THE WITNESS: So this is in 2018. This is old
23 language that was used. Corporate compensation at this
24 timeframe no longer existed.

25 BY MR. GARCIA:

1 Q. I'm sorry. I didn't understand that. Are
2 you saying --

3 A. "Corporate compensation" is an old term.

4 Q. So are you saying in 2018, when this was
5 created, corporate compensation no longer existed?

6 A. It's an old term. What I'm saying is, to
7 replace corporate compensation, you would replace it with
8 U.S. compensation, global compensation. And in this
9 case, because it's approval, it's global compensation.

10 Q. Okay. So I'm just going to ask a question so
11 that I understand. So the previous slide that we looked
12 at was June 2014 where it talked about "Do not
13 communicate until Larry Ellison approved." Do you
14 remember that?

15 MS. MANTOAN: Objection; misstates the
16 document. Document speaks for itself.

17 BY MR. GARCIA:

18 Q. Or do you want us to go back and look at it?
19 Do you remember this as "Do not communicate until Larry
20 Ellison approved"?

21 MS. MANTOAN: Objection; misstates the
22 documents.

23 THE WITNESS: Let's go back and look at that
24 actual language.

25 BY MR. GARCIA:

1 Q. Okay. So if you go back and look at page
2 48 --

3 MS. MANTOAN: In Exhibit 53, Counsel?

4 MR. GARCIA: Yes.

5 THE WITNESS: Okay.

6 BY MR. GARCIA:

7 Q. So in 2014, it was, "Do not communicate until
8 the last approval action shows approved by Larry
9 Ellison," correct?

10 A. Correct.

11 Q. And so -- and then, 2018, it says, "Do not
12 communicate recommendations until you receive
13 notification that corporate compensation has obtained
14 final approval," correct?

15 A. Correct.

16 Q. So are there different -- are different
17 people making the approvals between 2014 and 2018?

18 MS. MANTOAN: Objection. It's vague and
19 ambiguous, it's compound, calls for speculation.

20 THE WITNESS: There could have been different
21 leaders in place at the top, top levels.

22 BY MR. GARCIA:

23 Q. Okay. So --

24 A. Could have.

25 Q. So in 2018, who made the final approval for

1 review?

2 A. That would also apply.

3 Q. Thank you.

4 A. Yep.

5 Q. Now, before, we talked about when focal
6 reviews occurred, and you identified one occurred a
7 couple months ago, just completed a couple days ago, and
8 one occurred in fiscal year 2018. Do you know when the
9 last bonus process was done? Again, for Redwood Shores.

10 A. No.

11 MS. MANTOAN: Objection; vague as to which line
12 of business or lines of business.

13 THE WITNESS: So as an example, I'll take the
14 -- because there's only one. One, really -- there's more
15 than one, but -- I'll take the global corporate bonus.
16 That would be the non-sales population.

17 BY MR. GARCIA:

18 Q. Right. Thank you for clarifying. That's the
19 population I'm referring to.

20 A. Okay. We did not pay out this year.

21 Q. And by "this year," do you mean fiscal year
22 two thousand -- so today -- is today --

23 A. FY --

24 Q. Is today fiscal year 2018 or '19?

25 A. This is '19. June 1st will be FY-20.

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June 7, 2019

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Re: OFCCP VS. ORACLE AMERICA, INC.
Date Taken: May 24, 2019

Dear Ms. Carrelli:

Your deposition is now ready for you to read, correct and sign. The original will be held in our office for 30 days from the date of this letter.

If you are represented by counsel, you may wish to review with him/her the reading and signing of your deposition. If your attorney has purchased a copy of your deposition, you may review that copy. If you choose to read your attorney's copy, please fill out, sign and submit to our office the DEPONENT'S CHANGE SHEET located in the back of your deposition.

If you choose to read your deposition at our office, you can make an appointment between 9:00 a.m. and 4:00 p.m. Please bring this letter as a reference. If you do not wish to read your deposition, please sign here and return within 30 days of the date of this letter.

LYNNE ANN CARRELLI

DATE

Sincerely,



Mary Ann Scanlan, CSR No. 8875
Job No.: 105036
cc: All counsel