

**UNITED STATES DEPARTMENT OF LABOR
OFFICE OF ADMINISTRATIVE LAW JUDGES**

OFFICE OF FEDERAL CONTRACT
COMPLIANCE PROGRAMS, UNITED
STATES DEPARTMENT OF LABOR,

Plaintiff,

v.

ORACLE AMERICA, INC.,

Defendant.

OALJ Case No. 2017-OFC-00006

OFCCP No. R00192699

**DEFENDANT ORACLE
AMERICA, INC.'S RESPONSES
TO PLAINTIFF'S OBJECTIONS
TO EVIDENCE IN SUPPORT OF
ORACLE'S MOTION FOR
SUMMARY JUDGMENT**

REDACTED PURSUANT TO COURT ORDER

DEFENDANT ORACLE AMERICA, INC.'S RESPONSES TO PLAINTIFF'S OBJECTIONS TO EVIDENCE
IN SUPPORT OF ORACLE'S MOTION FOR SUMMARY JUDGMENT

CASE NO. 2017-OFC-00006

I. INTRODUCTION

Defendant Oracle America, Inc. (“Oracle”) respectfully submits the following response to the Office of Federal Contract Compliance Programs (“OFCCP’s”) Objections to Evidence filed in opposition to Oracle’s Motion for Summary Judgment (“Motion”).¹ Based on the following responses, Oracle respectfully requests that the Court overrule all of Plaintiff’s objections to Oracle’s evidence in support of its Motion for Summary Judgment.

II. ORACLE’S RESPONSE TO OFCCP’S OBJECTIONS TO EVIDENCE

A. Declaration of Carolyn Balkenhol

MATERIAL OBJECTED TO	GROUND FOR OBJECTION	ORACLE’S RESPONSE
<p>Paragraph 5 Based on my years of experience reviewing Human Resources transactions at Oracle, with few exceptions mentioned below, direct managers are the individuals primarily responsible for making hiring and compensation-related decisions for their teams, including starting pay decisions. Specifically with respect to new experienced hires, once a candidate is selected and the manager has determined the amount of starting pay to offer, the manager is responsible for entering the starting salary and corresponding justification into Oracle's workflow system for review. Oracle maintains an approval matrix specifying which human resources transactions (including</p>	<p>FRE 602: Lack of Personal Knowledge² FRE 1002: Best Evidence Rule</p>	<p>First, the declarant does not lack personal knowledge. OFCCP fails to provide any support to what personal knowledge she allegedly lacks. Rather, OFCCP appears to suggest that Ms. Balkenhol did not have personal knowledge <i>regarding her own practices</i>. Ms. Balkenhol explicitly states that her statements are “based on my years of experience reviewing Human Resources transactions at Oracle.” Further, Ms. Balkenhol clarifies that it is the responsibility of her and her team “for reviewing, summarizing, and, in most cases, approving these transactions on behalf of the CEOs and Executive Chairman.” Surely Ms. Balkenhol has personal knowledge regarding</p>

¹ OFCCP did not submit its objections to evidence in support of Oracle’s Motion for Summary Judgment in a single document. Rather, OFCCP’s objections are scattered amongst three separate documents: (1) Objections to the Declaration of Kate Waggoner, (2) Objections to the Declaration of Carolyn Balkenhol, and (3) Statement of Genuine Disputes of Material Fact. For greater ease for the Court, Oracle responds to each of OFCCP’s objections in this document.

² In asserting each of its objections, OFCCP inappropriately cites to the Federal Rules of Evidence. The Federal Rules are not controlling here. *See* April 11, 2017 Notice of Hearing and Pre-Hearing Order (“[G]eneral rules of practice and procedure for adjudicatory proceedings before administrative law judges are contained in 29 C.F.R. Part 18.”)

MATERIAL OBJECTED TO	GROUND FOR OBJECTION	ORACLE'S RESPONSE
<p>offers for new experienced hires, off-cycle salary increases, promotions, transfers, and equity grants) require approval by one of the CEOs or the Executive Chairman. My team and I are responsible for reviewing, summarizing, and, in most cases, approving these transactions on behalf of the CEOs and Executive Chairman.</p>		<p>her own practices.</p> <p>Second, the declarant's statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant's opinions and understanding of Oracle managers' responsibility for making hiring and compensation-related decisions for their teams. The declarant's testimony is the best evidence of her opinions and her understanding.</p>
<p>Paragraph 6</p> <p>The purpose of my team's review when determining whether to approve a transaction is to ensure that the decisions are reasonable under the circumstances - generally a high level "sanity check" and not a deep dive into the specifics of any particular decision. Only rarely do we fail to approve a decision</p>	<p>FRE 1002: Best Evidence Rule</p> <p>FRE 1006: Improper Summary</p>	<p>First, the declarant's statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant's opinions and understanding regarding the purpose of her team's review when approving a transaction. The declarant's testimony is the best evidence of her opinions and her understanding.</p> <p>Second, there is nothing improper about Ms. Balkenhol's testimony regarding the purpose of her team's review when approving transactions. OFCCP cites to nothing to support its assertion that this is an improper summary, let alone that the statement is a summary of anything at all.</p>
<p>Paragraph 7</p> <p>My team and I almost always defer to the hiring manager's decisions regarding the salary offer at hire. Our role is to look for potential errors or outliers that do not seem sensible from a high-level perspective.</p>	<p>FRE 1002: Best Evidence Rule</p> <p>FRE 1006: Improper Summary</p>	<p>First, the declarant's statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant's opinions and understanding regarding her team's involvement in a hiring manager's salary offer decisions at</p>

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		<p>hire. The declarant's testimony is the best evidence of her opinions and her understanding.</p> <p>Second, there is nothing improper about Ms. Balkenhol's testimony regarding her team's deferment of salary offers to hiring managers. OFCCP cites to nothing to support its assertion that this is an improper summary, let alone that the statement is a summary of anything at all.</p>
<p>Paragraph 8</p> <p>My team and I have quick turnarounds when reviewing offers for potential hires, including their starting salary and sign-on bonuses. Because we do not want to cause a delay in a competitive job market, we generally process workflow items within 24 hours.</p>	<p>FRE 1002: Best Evidence</p> <p>FRE 1006: Improper Summary</p>	<p>First, the paragraph cited pertains to the declarant's opinions and understanding regarding her team's reviews of offers for potential hires. The declarant's testimony is the best evidence of her opinions and her understanding.</p> <p>Second, there is nothing improper about Ms. Balkenhol's testimony regarding her team's review of potential hires. OFCCP cites to nothing to support its assertion that this is an improper summary, let alone that the statement is a summary of anything at all.</p>
<p>Paragraph 9</p> <p>We also have responsibility for signing off on certain off-cycle decisions to increase employees' base salaries. This includes some promotions, transfers, and other off-cycle compensation changes. My team and I generally defer to managers to award promotions and other off-cycle salary increases based on the unique skills and roles they need and value in their respective organizations. My</p>	<p>FRE 1002: Best Evidence Rule</p> <p>FRE 1006: Improper Summary</p>	<p>First, the declarant's statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant's opinions and understanding regarding her team's responsibility for signing off on off-cycle decisions. The declarant's testimony is the best evidence of her opinions and her understanding.</p> <p>Second, there is nothing improper</p>

MATERIAL OBJECTED TO	GROUNDS FOR OBJECTION	ORACLE’S RESPONSE
<p>team and I review the decisions to ensure that the amount of a salary increase is not out of alignment with the applicable salary range for the position.</p>		<p>about Ms. Balkenhol’s testimony regarding her team’s responsibility for signing off on off-cycle decisions. OFCCP cites to nothing to support its assertion that this is an improper summary, let alone that the statement is a summary of anything at all.</p>
<p>Paragraph 10</p> <p>Equity grants require approval from one of the CEOs or Executive Chairman, unless otherwise noted in the approval matrix. In other words, my team and I do not have authority to approve equity awards. In the case of equity award decisions related to new hires and other mid-year equity award requests, I summarize the terms of the requests and send a daily email to the CEOs and Executive Chairman, and they respond with questions and/or approval or rejection. These equity grants are rarely rejected.</p>	<p>FRE 602: Lack of Personal Knowledge</p> <p>FRE 1002: Best Evidence</p>	<p>First, the declarant does not lack personal knowledge. OFCCP fails to provide any support to what personal knowledge she allegedly lacks. Rather, OFCCP appears to suggest that Ms. Balkenhol did not have personal knowledge <i>regarding her own practices</i>. Ms. Balkenhol explicitly states that her statements are “based on my years of experience reviewing Human Resources transactions at Oracle.” Further, Ms. Balkenhol clarifies that it is the responsibility of her and her team “for reviewing, summarizing, and, in most cases, approving these transactions on behalf of the CEOs and Executive Chairman.” Surely Ms. Balkenhol has personal knowledge regarding her own practices.</p> <p>Second, the declarant’s statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant’s opinions and understanding regarding her team’s authority to approve equity awards. The declarant’s testimony is the best evidence of her opinions and her understanding.</p>
<p>Paragraph 11</p> <p>On rare occasions, my team and I will</p>	<p>FRE 1002: Best Evidence</p>	<p>The declarant’s statement does not seek to establish the content of a</p>

MATERIAL OBJECTED TO	GROUNDS FOR OBJECTION	ORACLE’S RESPONSE
<p>ask a manager a question about his or her compensation decision or ask corporate compensation to review and confirm or suggest a change. The purpose of these questions is to gather additional information to assist in our limited review process. There may be mitigating circumstances or reasonable explanations that we were not aware of during our initial reviews. Ultimately, we expect that the direct managers have the best, comprehensive knowledge about their teams, particular jobs, candidates, and the market. Our role is simply to gather additional information to aid in the review process.</p>		<p>writing. The paragraph cited pertains to the declarant’s opinions and understanding regarding the frequency and purpose for which her and her team ask a manager questions about his or her compensation decisions or ask corporate compensation to review changes to compensation. The declarant’s testimony is the best evidence of her opinions and her understanding.</p>
<p>Paragraph 12</p> <p>My team and I defer to managers to ensure their employees are paid fairly and hired into the proper career levels for their skills and experience. Accordingly, we rarely reject compensation and hiring decisions proposed by a front-line manager. In my estimation, my team and I have overturned very few compensation decisions in the approximately nine years I have held this position. A decision would need to be particularly egregious and lacking any kind of reasonable justification to merit a rejection.</p>	<p>FRE 602: Lack of Personal Knowledge FRE 1002: Best Evidence</p>	<p>First, the declarant does not lack personal knowledge. OFCCP fails to provide any support to what personal knowledge she allegedly lacks. Rather, OFCCP appears to suggest that Ms. Balkenhol did not have personal knowledge <i>regarding her own practices</i>. Ms. Balkenhol explicitly states that her statements are “based on my years of experience reviewing Human Resources transactions at Oracle.” Further, this paragraph is specific to the declarant and the declarant’s team’s actions to ensure employees are paid fairly and hired into the proper career levels. Surely Ms. Balkenhol has personal knowledge regarding her and her team’s own practices.</p> <p>Second, the declarant’s statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant’s opinions and</p>

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		understanding regarding her team's deferment to managers to ensure their employees are paid fairly and hired into the proper career levels. The declarant's testimony is the best evidence of her opinions and her understanding.

B. Declaration of Kate Waggoner

MATERIAL OBJECTED TO	GROUNDS FOR OBJECTION	ORACLE'S RESPONSE
<p>Paragraph 6</p> <p>Oracle is a leading global technology company that provides cutting-edge software and hardware products and related services to customers worldwide. Oracle's more than 800 products and services are designed for customers of any size, from small business to large global corporations.</p>	<p>FRE 602: Lack of Personal Knowledge</p> <p>FRE 1002: Best Evidence Rule</p>	<p>First, the declarant does not lack personal knowledge. OFCCP fails to provide any support to what personal knowledge she allegedly lacks. Rather, Ms. Waggoner explained that she has worked for Oracle since 2005, and as of today is Oracle's Senior Director of Global Compensation. Waggoner Decl., ¶ 3. In this role, she is responsible for Oracle's global compensation programs, the administration, setup, and rollout of annual focal review, corporate bonus, and equity programs. <i>Id.</i>, ¶ 4. Further, she oversees maintenance of Oracle's global job table and supervises M&A activities related to compensation, which involves the transition of acquired employees into Oracle's jobs, pay programs and plans. <i>Id.</i> Consequently, Ms. Waggoner has personal knowledge regarding Oracle's background as a technology company, as well as general knowledge regarding Oracle's products and services.</p>

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		<p>Second, the declarant's statement does not seek to establish the content of a writing. Rather, it expresses her general opinions and understanding regarding Oracle's background as a technology company. Consequently, Ms. Waggoner's testimony is the best evidence for her opinions and understanding.</p>
<p>Paragraph 9</p> <p>One of the primary ways Oracle has grown its uniquely diverse business is by acquisition. Acquisitions enable Oracle to innovate faster and provide an unparalleled breadth and depth of technology products and services.</p>	<p>FRE 602: Lack of Personal Knowledge.</p> <p>FRE 701: Lay Opinion.</p>	<p>First, the declarant does not lack personal knowledge. OFCCP fails to provide any support to what personal knowledge she allegedly lacks. Rather, Ms. Waggoner explained that she has worked for Oracle since 2005, and as of today is Oracle's Senior Director of Global Compensation. Waggoner Decl., ¶ 3. In this role, she is responsible for Oracle's global compensation programs, the administration, setup, and rollout of annual focal review, corporate bonus, and equity programs. <i>Id.</i>, ¶ 4. Further, she oversees maintenance of Oracle's global job table and supervises M&A activities related to compensation, which involves the transition of acquired employees into Oracle's jobs, pay programs and plans. <i>Id.</i> Consequently, Ms. Waggoner has personal knowledge of Oracle's growth as a diverse business through acquisitions.</p> <p>Second, the testimony is also proper lay opinion as within Ms. Waggoner's perception given her position and duties.</p>

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<p>Paragraph 10</p> <p>Oracle has acquired top companies like PeopleSoft, Sun Microsystems, NetSuite, and others that focus on specialized technologies and services, many of which differ in important ways from Oracle's legacy product offerings. Together these acquisitions have added hundreds of new products to Oracle's portfolio.</p>	<p>FRE 602: Lack of Personal Knowledge.</p> <p>FRE 701: Lay Opinion.</p>	<p>First, the declarant does not lack personal knowledge. OFCCP fails to provide any support to what personal knowledge she allegedly lacks. Rather, Ms. Waggoner explained that she has worked for Oracle since 2005, and as of today is Oracle's Senior Director of Global Compensation. Waggoner Decl., ¶ 3. In this role, she is responsible for Oracle's global compensation programs, the administration, setup, and rollout of annual focal review, corporate bonus, and equity programs. <i>Id.</i>, ¶ 4. Further, she oversees maintenance of Oracle's global job table and supervises M&A activities related to compensation, which involves the transition of acquired employees into Oracle's jobs, pay programs and plans. <i>Id.</i> Consequently, Ms. Waggoner has personal knowledge of Oracle's growth through acquisitions of top companies.</p> <p>Second, the testimony is also proper lay opinion as within Ms. Waggoner's perception given her position and duties.</p>
<p>Paragraph 11</p> <p>I have reviewed extracts from Oracle's centralized data systems which are kept in Oracle's regular course of business and contain our system of record regarding the employment records of Oracle employees. Those extracts reflect that, as of January 1, 2019, Oracle employed more than 48,000 employees nationwide. As of that date more than 11,000 employees</p>	<p>FRE 1002: Best Evidence</p> <p>FRE 1006: Improper Summary</p>	<p>First, the declarant's statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant's opinions and understanding regarding her review of Oracle's centralized data system. The declarant's testimony is the best evidence of her opinions and her understanding.</p> <p>Second, there is nothing improper</p>

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worked at its headquarters location in Redwood Shores, California.		about Ms. Waggoner's testimony regarding her review of Oracle's centralized data system. OFCCP cites to nothing to support its assertion that this is an improper summary, let alone that the statement is a summary of anything at all.
<p>Paragraph 12</p> <p>Oracle is organized functionally into lines of business ("LOBs"), each of which is generally focused on a distinct part of Oracle's business or operations. Although others at Oracle may use the term "LOB" in different ways, from the perspective of the Compensation team, each of these LOBs is defined by its particular leader or head, who in turn reports directly to one of Oracle's CEOs (Safra Catz or Mark Hurd) or its CTO (Larry Ellison).</p>	FRE 602: Lack of Personal Knowledge	The declarant does not lack personal knowledge. OFCCP fails to provide any support to what personal knowledge she allegedly lacks. Rather, Ms. Waggoner explained that she has worked for Oracle since 2005, and as of today is Oracle's Senior Director of Global Compensation. Waggoner Decl., ¶ 3. In this role, she is responsible for Oracle's global compensation programs, the administration, setup, and rollout of annual focal review, corporate bonus, and equity programs. <i>Id.</i> , ¶ 4. Further, she oversees maintenance of Oracle's global job table and supervises M&A activities related to compensation, which involves the transition of acquired employees into Oracle's jobs, pay programs and plans. <i>Id.</i> Consequently, Ms. Waggoner has personal knowledge regarding Oracle's organization into LOBs, as well as her compensation team's perspective regarding how the LOBs are defined.
<p>Paragraph 13</p> <p>At the highest levels, LOBs encompass entire segments of Oracles' business or operations. Additional layers divide employees</p>	FRE 602: Lack of Personal Knowledge	The declarant does not lack personal knowledge. OFCCP fails to provide any support to what personal knowledge she allegedly lacks. Rather, Ms. Waggoner explained that she has worked for

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<p>into narrower sub-organizations and teams that reflect increasingly specialized areas of the company. These specialized teams differ in terms of their import to the company and their role in the company's strategic vision.</p>		<p>Oracle since 2005, and as of today is Oracle's Senior Director of Global Compensation. Waggoner Decl., ¶ 3. In this role, she is responsible for Oracle's global compensation programs, the administration, setup, and rollout of annual focal review, corporate bonus, and equity programs. <i>Id.</i>, ¶ 4. Further, she oversees maintenance of Oracle's global job table and supervises M&A activities related to compensation, which involves the transition of acquired employees into Oracle's jobs, pay programs and plans. <i>Id.</i> Consequently, Ms. Waggoner has personal knowledge of Oracle's organization into LOBs and generally how these LOBs subdivide into narrower sub-organizations that reflect increased specialization.</p>
<p>Paragraph 14 Managers within these LOBs fan out through a reporting hierarchy that ultimately ends with "first-level" (or "direct") managers who supervise individual contributors. This managerial hierarchy is in a near-constant state of flux, to reflect Oracle's evolving technologies and portfolio structures</p>	<p>FRE 602: Lack of Personal Knowledge</p>	<p>The declarant does not lack personal knowledge. OFCCP fails to provide any support to what personal knowledge she allegedly lacks. Rather, Ms. Waggoner explained that she has worked for Oracle since 2005, and as of today is Oracle's Senior Director of Global Compensation. Waggoner Decl., ¶ 3. In this role, she is responsible for Oracle's global compensation programs, the administration, setup, and rollout of annual focal review, corporate bonus, and equity programs. <i>Id.</i>, ¶ 4. Further, she oversees maintenance of Oracle's global job table and supervises M&A activities related to compensation, which involves the transition of</p>

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		acquired employees into Oracle's jobs, pay programs and plans. <i>Id.</i> Consequently, Ms. Waggoner has personal knowledge of Oracle's organization into LOBs and generally the hierarchical reporting structure of these LOBs.
<p>Paragraph 15</p> <p>Budgeting decisions and allocations for bonuses and/or salary raises are made within the framework of this LOB hierarchical structure, and can reflect differing allocations to different teams and units based on (among other things) the importance of retaining and motivating employees on that team. Accordingly, the particular team an employee works within, and where that team is situated within Oracle's LOB structure, may impact individual compensation. The budget allocated to a particular LOB (or subset thereof) may also be impacted by the composition of that LOB in terms of the country or countries where employees in that LOB work, as different per-country weights are applied when determining how much budget to allocate to account for differences in market conditions, among other factors.</p>	FRE 602: Lack of Personal Knowledge	The declarant does not lack personal knowledge. OFCCP fails to provide any support to what personal knowledge she allegedly lacks. Rather, Ms. Waggoner explained that she has worked for Oracle since 2005, and as of today is Oracle's Senior Director of Global Compensation. Waggoner Decl., ¶ 3. In this role, she is responsible for Oracle's global compensation programs, the administration, setup, and rollout of annual focal review, corporate bonus, and equity programs. <i>Id.</i> , ¶ 4. Further, she oversees maintenance of Oracle's global job table and supervises M&A activities related to compensation, which involves the transition of acquired employees into Oracle's jobs, pay programs and plans. <i>Id.</i> Consequently, in her role as a Senior Director of Global Compensation, Ms. Waggoner has personal knowledge regarding budgeting decisions and allocations for bonuses and/or salary raises that are made within the framework of the LOB hierarchical structure.
<p>Paragraph 18</p> <p>I have reviewed copies of data files produced to the government in this</p>	FRE 1002: Best Evidence FRE 1006:	First, the declarant's statement does not seek to establish the content of a writing. The paragraph cited pertains to the

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<p>case, which I understand contain extracts from Oracle's centralized data systems which contain data recorded and maintained in the regular course of business by Oracle. That data shows that approximately 7,521 individuals were employed in the Product Development job function at Oracle's headquarters at some point from January 1, 2013 forward (which is the time period that I understand to be at issue in this case), approximately 1,044 individuals were employed in the IT job function during that time period at Oracle's headquarters, and Approximately 349 individuals were employed in the Support job function at Oracle's headquarters during that time period.</p>	<p>Improper Summary</p>	<p>declarant's opinions and understanding regarding her review of Oracle data files. The declarant's testimony is the best evidence of her opinions and her understanding.</p> <p>Second, there is nothing improper about Ms. Waggoner's testimony regarding her review of Oracle's centralized data system. OFCCP cites to nothing to support its assertion that this is an improper summary, let alone that the statement is a summary of anything at all.</p>
<p>Paragraph 22</p> <p>Each level of grouping within the job table that my team maintains and updates—job function, specialty area, job family, and system job title—provides a high-level description of the work performed by employees with that label. Even the most granular label in this taxonomy—system job title—does not account for differences in individual job duties among the employees with that label, and there are indeed many differences. Employees with the same system job title may work on different tools and use different programming languages. Their jobs may require them to work different numbers of hours or attend a different number or type of training. Some employees spend much more time in meetings than others with the same system job title, whereas others do much more coding. Some work on</p>	<p>FRE 701: Lay Opinion</p>	<p>The testimony is also proper lay opinion as within Ms. Waggoner's perception given her position and duties.</p>

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<p>more complex products than others. Some work on many components or sub-areas within the product at a given time (or over the course of time), whereas others work on only one or two.</p>		
<p>Paragraph 23</p> <p>Because I am responsible for overseeing the maintenance of and updates to Oracle's global job table, I also am familiar with the salary ranges that accompany Oracle's system job titles. Each system job title at Oracle is associated with a broad salary range. There is a set of salary ranges that apply to employees who work in zip codes we define for this purpose to encompass the San Francisco Bay Area (sometimes referred to on the Compensation team as the "HQ Salary Range"). My colleague, Kris Edwards—Senior Director, Compensation at Oracle—and her team reviews each set of ranges for each system job title each year and recommends range adjustments if and as we deem appropriate based on, among other things, market research of compensation benchmarks in use at other technology companies with whom Oracle competes for talent. These salary ranges generally span [REDACTED] of dollars. For example, in FY2018, the salary range for an Applications Developer 3 at HQ spanned nearly \$ [REDACTED] – from \$ [REDACTED] to \$ [REDACTED].</p>	<p>FRE 1002: Best Evidence</p>	<p>The declarant's statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant's opinions and understanding regarding global job tables at Oracle, which she is responsible for overseeing and maintaining. The declarant's testimony is the best evidence of her opinions and her understanding.</p>
<p>Paragraph 25</p> <p>To my knowledge and understanding, the majority of employees are hired into the job and career level for which</p>	<p>FRE 601: Lack of Personal Knowledge</p>	<p>The declarant does not lack personal knowledge. OFCCP fails to provide any support to what personal knowledge she allegedly</p>

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<p>they applied. On occasion, however, an employee may be hired at one career level above or below the level listed in the job posting, depending upon the individual's specific experience and expertise and consistent with Oracle's business needs. On such occasions, individual front-line managers are the primary decision-makers regarding adjustments to level at hire. For example, the job requisition may be for a Software Developer 3, but the best qualified candidate's skills and expertise are a bit more advanced, such that the candidate is qualified to be a Software Developer 4. In such an instance, the hiring manager may determine that the candidate should be brought in at a higher level and will explain this on the justification form to HR listing the candidate's qualifications that warrant the job at a higher level.</p>		<p>lacks. Rather, Ms. Waggoner explained that she has worked for Oracle since 2005, and as of today is Oracle's Senior Director of Global Compensation. Waggoner Decl., ¶ 3. In this role, she is responsible for Oracle's global compensation programs, the administration, setup, and rollout of annual focal review, corporate bonus, and equity programs. <i>Id.</i>, ¶ 4. Further, she oversees maintenance of Oracle's global job table and supervises M&A activities related to compensation, which involves the transition of acquired employees into Oracle's jobs, pay programs and plans. <i>Id.</i> Consequently, in her role as a Senior Director of Global Compensation, Ms. Waggoner has personal knowledge regarding placing new hires into the job and career level for which they applied.</p>
<p>Paragraph 26</p> <p>Some employees (but not all) have a discretionary job title as well as a system job title, which in many cases is more descriptive and specific than the system job title. As with system job title, the details of the work performed by two individuals with the same discretionary job title may vary significantly. Among many other factors, such individuals may work on different products; supervise or serve as a lead for a different number of employees; and work a different number of hours.</p>	<p>FRE 602: Lack of Personal Knowledge</p>	<p>The declarant does not lack personal knowledge. OFCCP fails to provide any support to what personal knowledge she allegedly lacks. Rather, Ms. Waggoner explained that she has worked for Oracle since 2005, and as of today is Oracle's Senior Director of Global Compensation. Waggoner Decl., ¶ 3. In this role, she is responsible for Oracle's global compensation programs, the administration, setup, and rollout of annual focal review, corporate bonus, and equity programs. <i>Id.</i>, ¶ 4. Further, she oversees maintenance of Oracle's global job table and supervises M&A</p>

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		<p>activities related to compensation, which involves the transition of acquired employees into Oracle's jobs, pay programs and plans. <i>Id.</i> Consequently, in her role as a Senior Director of Global Compensation, Ms. Waggoner has personal knowledge regarding discretionary job titles as well as a system job titles.</p>
<p>Paragraph 28</p> <p>Oracle's compensation system is highly decentralized in order to further its business need to recognize individual skills and contributions. An employee's direct manager—who knows individual employees' work and how their work compares to that of others—typically plays the most significant role in setting that employee's compensation. First-line managers, for example, determine the starting compensation to offer to new hires. Similarly, most salary increases occur during the annual focal review process (in years when there is a focal review process). Although these individual salary increases ultimately are subject to an approval process by more senior management to ensure alignment with budget, senior managers generally defer to and rarely change the decisions of the lower-level managers.</p>	<p>FRE 602: Lack of Personal Knowledge</p> <p>FRE 1002: Best Evidence Rule</p> <p>FRE 1006: Improper Summary</p>	<p>First, the declarant does not lack personal knowledge. OFCCP fails to provide any support to what personal knowledge she allegedly lacks. Rather, Ms. Waggoner explained that she has worked for Oracle since 2005, and as of today is Oracle's Senior Director of Global Compensation. Waggoner Decl., ¶ 3. In this role, she is responsible for Oracle's global compensation programs, the administration, setup, and rollout of annual focal review, corporate bonus, and equity programs. <i>Id.</i>, ¶ 4. Further, she oversees maintenance of Oracle's global job table and supervises M&A activities related to compensation, which involves the transition of acquired employees into Oracle's jobs, pay programs and plans. <i>Id.</i> Consequently, in her role as a Senior Director of Global Compensation, Ms. Waggoner has personal knowledge regarding Oracle's compensation system.</p> <p>Second, the declarant's statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant's opinions and</p>

MATERIAL OBJECTED TO	GROUNDS FOR OBJECTION	ORACLE'S RESPONSE
		<p>understanding Oracle's compensation system. The declarant's testimony is the best evidence of her opinions and her understanding.</p> <p>Third, there is nothing improper about Ms. Waggoner's testimony regarding Oracle's compensation system. OFCCP cites to nothing to support its assertion that this is an improper summary, let alone that the statement is a summary of anything at all.</p>
<p>Paragraph 30</p> <p>Whatever manager is the last recipient of budget allocation determines how to distribute the budget in the form of compensation awards to individual employees. The managers responsible for recording those decisions in the compensation tool may exercise their own judgment or consult other managers (for example, if they do not directly supervise the employees at issue) for their views. Usually, first- or second-line managers play a primary role in the allocation decision. From there, in the vast majority of cases, the approval process simply acts as a check to review whether managers stay within allotted budgets.</p>	<p>FRE 602: Lack of Personal Knowledge</p> <p>FRE 1002: Best Evidence</p> <p>FRE 1006: Improper Summary</p>	<p>First, the declarant does not lack personal knowledge. OFCCP fails to provide any support to what personal knowledge she allegedly lacks. Rather, Ms. Waggoner explained that she has worked for Oracle since 2005, and as of today is Oracle's Senior Director of Global Compensation. Waggoner Decl., ¶ 3. In this role, she is responsible for Oracle's global compensation programs, the administration, setup, and rollout of annual focal review, corporate bonus, and equity programs. <i>Id.</i>, ¶ 4. Further, she oversees maintenance of Oracle's global job table and supervises M&A activities related to compensation, which involves the transition of acquired employees into Oracle's jobs, pay programs and plans. <i>Id.</i> Consequently, in her role as a Senior Director of Global Compensation, Ms. Waggoner has personal knowledge regarding budget allocations and compensation awards, as well as managers' responsibilities for</p>

MATERIAL OBJECTED TO	 GROUNDS FOR OBJECTION	ORACLE’S RESPONSE
		<p>recording these compensation decisions.</p> <p>Second, the declarant’s statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant’s opinions and understanding regarding managers’ roles in the budget allocation process. The declarant’s testimony is the best evidence of her opinions and her understanding.</p> <p>Third, there is nothing improper about Ms. Waggoner’s testimony regarding Oracle’s compensation system. OFCCP cites to nothing to support its assertion that this is an improper summary, let alone that the statement is a summary of anything at all.</p>
<p>Paragraph 31</p> <p>In the training that members of the Compensation team prepare and provide to managers, managers are advised to take a comprehensive view in making compensation recommendations. For instance, managers may award greater compensation—particularly bonuses or incentive stock awards—to those employees who work on more complex products. Likewise, managers may provide additional compensation as incentive to employees who work on products that require skills for which the labor market is particularly competitive.</p>	<p>FRE 1002: Best Evidence</p> <p>Note: objection based on assumption that there are written training materials other than those provided in the attachments. If that is not correct, then do not object.</p>	<p>The declarant’s statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant’s opinions and understanding regarding the compensation team that she leads and the training that they provide to managers regarding compensation recommendations. The declarant’s testimony is the best evidence of her opinions and her understanding.</p>
<p>Paragraph 32</p> <p>Through trainings provided by the</p>	<p>FRE 1002: Best Evidence</p>	<p>The declarant’s statement does not seek to establish the content of a</p>

MATERIAL OBJECTED TO	GROUNDS FOR OBJECTION	ORACLE'S RESPONSE
<p>Compensation team, individual managers are encouraged to consider the relative pay among employees on their particular teams when making compensation decisions, including awarding bonuses and salary increases through the focal review process, and to strive for pay equity while accounting for all relevant factors. Managers are expressly instructed to make compensation decisions without regard to employees' gender or any other protected characteristic.</p>		<p>writing. The paragraph cited pertains to the declarant's opinions and understanding regarding the compensation team that she leads and the training that they provide to managers. The declarant's testimony is the best evidence of her opinions and her understanding.</p>
<p>Paragraph 37</p> <p>Oracle engages legal counsel to direct privileged pay analyses, including a review and evaluation of Oracle's pay systems, pay decisions, and pay data as warranted, for the purpose of providing legal advice regarding Oracle's compliance with applicable state and federal non-discrimination requirements and to assess legal risk.</p>	<p>FRE 602: Lack of Personal Knowledge</p>	<p>The declarant does not lack personal knowledge. OFCCP fails to provide any support to what personal knowledge she allegedly lacks. Rather, Ms. Waggoner explained that she has worked for Oracle since 2005, and as of today is Oracle's Senior Director of Global Compensation. Waggoner Decl., ¶ 3. In this role, she is responsible for Oracle's global compensation programs, the administration, setup, and rollout of annual focal review, corporate bonus, and equity programs. <i>Id.</i>, ¶ 4. Further, she oversees maintenance of Oracle's global job table and supervises M&A activities related to compensation, which involves the transition of acquired employees into Oracle's jobs, pay programs and plans. <i>Id.</i> Consequently, in her role as a Senior Director of Global Compensation, Ms. Waggoner has personal knowledge regarding Oracle engaging legal counsel to direct privileged pay analyses.</p>

C. Declaration of Farouk Abushaban

MATERIAL OBJECTED TO	GROUNDS FOR OBJECTION	ORACLE'S RESPONSE
<p>Paragraph 15</p> <p>I participated in hiring for my team in my managerial role, and in doing so I worked with my HR Business Partners to determine the appropriate salary range and career level for the candidate. Typically, I looked for expertise in Oracle products and experience in networking and systems administration (namely, with operating systems such as Linux and Solaris, and how they operate in the cloud). The closer a candidate's experience aligned with my team's daily work, the more likely that candidate became a finalist. My starting salary decisions have never been overturned, and I have never recommended a candidate outside the salary range for his or her position.</p>	<p>FRE 1002: Best Evidence Rule</p>	<p>The declarant's statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant's opinions and understanding regarding his participation in hiring for his team and what he looks for in an applicant during the hiring process. The declarant's testimony is the best evidence of his opinions and his understanding.</p>

D. Declaration of Jon Tyler Eckard

MATERIAL OBJECTED TO	GROUNDS FOR OBJECTION	ORACLE'S RESPONSE
<p>Paragraph 13</p> <p>In my experience as a manager, my salary increase (focal) decisions have never been changed by upper management. I have not received any pushback from my managers, though I have sometimes been asked questions about the basis for my decisions. On those rare occasions, I have an open conversation with my manager and reach agreement before moving forward. I have never taken race or</p>	<p>FRE 1002: Best Evidence Rule</p>	<p>The declarant's statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant's opinions and understanding regarding his participation and experiences in salary increase decisions. The declarant's testimony is the best evidence of his opinions and his understanding.</p>

MATERIAL OBJECTED TO	GROUNDS FOR OBJECTION	ORACLE'S RESPONSE
gender into account in my compensation decisions.		

E. Declaration of Cindy Hsin

MATERIAL OBJECTED TO	GROUNDS FOR OBJECTION	ORACLE'S RESPONSE
<p>Paragraph 11</p> <p>In some cases, but not all, and before October 2017, when Oracle implemented a policy prohibiting us from asking about prior salary, my team's recruiter asked about prior salary as well as the candidate's salary expectations. However, the factors I used to determine what starting salary is appropriate to offer a candidate are among the same factors I use to make hiring decisions. If the candidate had offers from major competitors and we wanted to offer a salary higher than the normal bracket to compete, we would include the prior salary information in the justification form to HR as an explanation for the higher offer. However, we typically did not need to include prior salary information in the justification. I have never had my hiring decision or starting pay proposal overruled, though on rare occasions we may be unable to move forward with a hire because we do not have sufficient available budget.</p>	<p>FRE 1002: Best Evidence Rule</p>	<p>The declarant's statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant's opinions and understanding regarding her participation and experiences in hiring decisions for her team. The declarant's testimony is the best evidence of her opinions and her understanding.</p>

F. Declaration of Rita Ousterhout

MATERIAL OBJECTED TO	GROUND FOR OBJECTION	ORACLE'S RESPONSE
<p>Paragraph 16</p> <p>I do not believe that Oracle's compensation determination process disadvantages women, Asians, or African Americans. The primary factors I consider in determining starting salary for my direct reports are experience, skills, and expertise. I never solely considered prior pay in making an offer to a candidate. Before October of 2017 – when I understand that Oracle enabled a policy prohibiting the consideration of prior pay – I occasionally used prior pay information only to gauge the candidate's salary expectations. However, I still determined the starting salary according to the salary bands for the position and the candidate's knowledge, experience, and skills. I will usually make compensation decisions in consultation with my manager, after which HR reviews for anomalies. Sometimes, but not always, we will collaborate with HR to come up with a compensation package that includes salary, bonus, and stock options – such as when we would like to compensate someone on the higher end due to their skills and expertise. My compensation decisions are rarely changed when they are within the salary ranges. One time, HR changed my compensation decision because I used a salary range for the wrong geographic location, which was an inadvertent error on my part. Race or gender have never played a role in my compensation determinations.</p>	<p>FRE 1002: Best Evidence Rule</p>	<p>The declarant's statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant's opinions and understanding regarding her participation and experiences in determining starting salary for her direct reports. The declarant's testimony is the best evidence of her opinions and her understanding.</p>

G. Declaration of Leslie Robertson

MATERIAL OBJECTED TO	GROUND FOR OBJECTION	ORACLE'S RESPONSE
<p>Paragraph 11</p> <p>I am involved in the hiring process for my team. I and other hiring managers on my team consider the candidate's skill, expertise, and education when deciding on a starting salary. Gender, race, and ethnicity are never factors in my decisions about who to hire or what starting salary is appropriate. Following the change in California law in 2017, I never inquired about prior pay when making hiring or starting salary decisions. I received guidance and training regarding inquiring about prior pay from Oracle's recruiting department in 2017. Once the hiring manager decides on a starting salary, the offer must receive sign-off from HR and upper management before the hire can take effect. Our assigned HR Business Partner helps in the crafting of offers. I have never had a starting salary decision overturned. The only times I have pushed back on my direct reports' salary decisions have been if they neglected to confirm with HR that the offer was within the applicable salary range.</p>	<p>FRE 1002: Best Evidence Rule</p>	<p>The declarant's statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant's opinions and understanding regarding her participation and experiences in hiring decisions and setting starting salary for her team. The declarant's testimony is the best evidence of her opinions and her understanding.</p>

H. Declaration of Sachin Shah

MATERIAL OBJECTED TO	GROUND FOR OBJECTION	ORACLE'S RESPONSE
<p>Paragraph 14</p> <p>My salary recommendation has never been questioned or changed. I work closely with the HR Business Partner assigned to my ACS team and ensure</p>	<p>FRE 1002: Best Evidence Rule</p>	<p>The declarant's statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant's opinions and understanding regarding her participation and experiences in</p>

<p>that the candidate’s proposed salary matches Oracle’s salary ranges and the candidate’s qualifications. Race and gender have never factored into my hiring process or starting salary decisions.</p>		<p>hiring decisions and setting starting salary for her team. The declarant’s testimony is the best evidence of her opinions and her understanding.</p>
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I. Declaration of Chandna Talluri

MATERIAL OBJECTED TO	 GROUNDS FOR OBJECTION	ORACLE’S RESPONSE
<p>Paragraph 14 As a manager, I am involved in hiring. Typically, my team aims to hire at the IC3 career level, but on rare occasions we may hire an IC2 or IC4, depending on the candidate’s particular experience. I work closely with Oracle’s recruiting agent, who advertises the position and conducts the initial screening based on my needs for the position. Then, candidates go through a formal interview process, with approximately four interviews per candidate. I discuss the finalists with my manager and we evaluate the candidate’s potential contribution and our team’s overall needs. Once I select a candidate, I work with an HR Business Partner dedicated to OAL to determine the market rate for the position based on the candidate’s background. I determine starting salary mainly by looking at prior experience. I have never relied on prior pay as part of the decision-making process – I focus exclusively on a candidate’s merits. I also have never considered race or gender in my hiring or compensation decisions. My hiring decisions and starting pay determinations have never been overturned.</p>	<p>FRE 1002: Best Evidence Rule</p>	<p>The declarant’s statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant’s opinions and understanding regarding her participation and experiences in hiring decisions and setting starting salary for her team. The declarant’s testimony is the best evidence of her opinions and her understanding.</p>

J. Declaration of Nachiketa Yakkundi

MATERIAL OBJECTED TO	GROUND FOR OBJECTION	ORACLE'S RESPONSE
<p>Paragraph 19</p> <p>As a manager, I also determine compensation increases for my team in the form of focal increases (salary raises that occur periodically, generally annually, if and when there is a budget allocated to me by my manager). My process for determining focal increases involves looking to the performance ratings of each of my direct reports, on a scale from one to five (five being reserved only for superstar performers). I rank my direct reports according to the effort they have contributed in the past year, which I measure by evaluating whether they went above and beyond expectations, put in extra hours and worked in earnest to make sure that problems were resolved for our customers, and efficiently managed their case load. I also try to reward individuals who have not received a salary increase in a long time but have been consistent and improved their work and widened or deepened their expertise and product knowledge. My compensation increase decisions have always been respected by my managers and I am not aware of any instance where a more senior manager overturned any of my decisions. Sometimes, my manager has asked me to explain the thinking behind my decision, but in those instances we have always had a discussion and come to an agreement before moving forward. I do not participate in bonus or equity distribution.</p>	<p>FRE 1002: Best Evidence Rule</p>	<p>The declarant's statement does not seek to establish the content of a writing. The paragraph cited pertains to the declarant's opinions and understanding regarding her participation and experiences in making compensation decisions for her team. The declarant's testimony is the best evidence of her opinions and her understanding.</p>

K. Declaration of Harmohan Suri

MATERIAL OBJECTED TO	GROUND FOR OBJECTION	ORACLE'S RESPONSE
<p>Paragraph 22 I submit my compensation recommendations to my supervisor and she works with HR to ensure that there is consistency in the distribution of compensation increases for her direct reports. My compensation decisions have never been overruled, but my manager checks for outliers and on occasion has asked me to justify my reasoning. For example, if I gave someone on my team an unusually high increase, she may ask me to explain why that person deserves a raise that is higher than the norm. I have never considered race or gender for any compensation decisions and I have not seen such discriminatory bias from my superiors.</p>	<p>FRE 1006: Improper Summary</p>	<p>There is nothing improper about Ms. Suri's testimony regarding how she submits her compensation recommendations. OFCCP cites to nothing to support its assertion that this is an improper summary, let alone that the statement is a summary of anything at all.</p>

L. Declaration of Janet Chan

MATERIAL OBJECTED TO	GROUND FOR OBJECTION	ORACLE'S RESPONSE
<p>Paragraph 13 My compensation decisions have never been overturned. Meeten and I have open discussions about my decisions and we always come to an agreement. I apply a similar approach in reviewing the compensation decisions of my direct reports. I give them a budget and they allocate it to their direct reports as they see fit. I try to ensure consistency in ratings for individuals at the same career level with similar roles and responsibilities, so if I have a question or concern about an inconsistency or a rating, I</p>	<p>FRE 1006: Improper Summary</p>	<p>There is nothing improper about Ms. Chan's testimony regarding how she applies and reviews compensation decisions. OFCCP cites to nothing to support its assertion that this is an improper summary, let alone that the statement is a summary of anything at all.</p>

MATERIAL OBJECTED TO	GROUNDS FOR OBJECTION	ORACLE'S RESPONSE
will initiate a discussion about it and offer my opinion. To the extent I have questions about my direct reports' compensation decisions, we have a conversation and come to a mutual agreement.		

M. Declaration of Kristen Desmond

MATERIAL OBJECTED TO	GROUNDS FOR OBJECTION	ORACLE'S RESPONSE
<p>Paragraph 13</p> <p>During the annual performance review process, I rate employees on each of the core competencies on a 1-5 scale. Usually, I only conduct performance reviews for my direct report. On occasions where I have worked extensively with other employees on a special project, however, I have been requested to provide feedback and a performance appraisal for an employee outside of my reporting structure. When considering an employee for promotion, I look for advanced skills for an extended period of time, typically one to two cycles, before promoting an employee. In addition, I generally follow the rule of thumb that an employee's recent performance reviews should include at least half of the competencies rated at a 5 and the other half rated at least a 4. I have never had a promotion decision rejected by upper management. Gender, race, and ethnicity are never factors in my promotion decisions.</p>	FRE 1006: Improper Summary	There is nothing improper about Ms. Desmond's testimony regarding how she participates in the annual performance review process. OFCCP cites to nothing to support its assertion that this is an improper summary, let alone that the statement is a summary of anything at all.

N. PMK Deposition of Shauna Holman-Harries

MATERIAL OBJECTED TO	GROUND FOR OBJECTION	ORACLE'S RESPONSE
<p>Holman-Harries PMK Dep. 36:18-38:23</p> <p>Q And how did you find that out? MR. PARKER: Outside the scope. Asked and answered.</p> <p>THE WITNESS: Through my research as just described to you for the other audit.</p> <p>BY MS. BREMER:</p> <p>Q Okay. What -- what research, though, led you to find out or determine that there were a few employees or jobs at any local location where there were multiple employees doing the same or similar work with the same skill and experience? MR. PARKER: Outside the scope. Asked and answered.</p> <p>THE WITNESS: The research – the research discussing -- I -- I talked to human resources reps and also some supervisors, and – so it was actually a -- a self-discovery process to where I found out how different jobs really are at Oracle.</p> <p>BY MS. BREMER:</p> <p>Q And which human resources reps did you talk to? MR. PARKER: Outside the scope.</p> <p>THE WITNESS: I can't recall the names because it was over six years ago. But I – I remember talking to them about -- about this, trying to -- to find out what the jobs were about and writing documentation on the differences of the jobs and finding out just how varied the jobs are. I was also told that by the person that reported to me that had -- at that time had been at</p>	<p>FRE 1002: Best Evidence Rule</p>	<p>The deponent's testimony does not seek to establish the content of a writing. Rather, Ms. Holman-Harries expresses her opinions and understanding "through [her] experience as just described [] for the other audit." Consequently, Ms. Holman-Harries' opinions and understanding is the best evidence of her opinions and her understanding.</p>

<p>Oracle for a while that I didn't, you know, take that as the final answer. I did the research myself and found out, just, they really are varied.</p> <p>BY MS. BREMER:</p> <p>Q And what was your understanding of what "same or similar work with the same skill/experience" means?</p> <p>MR. PARKER: Outside the scope.</p> <p>THE WITNESS: Well, at that point, and some of the jobs from this first research, people actually had different levels of certifications within the same job title to where some of them could service and take care of more products or customers, yet they still -- and some of the certifications were quite different from each other, but yet they still had the same job title and in quite a few instances were at the same career level.</p> <p>BY MS. BREMER:</p> <p>Q And what certifications are you talking about?</p> <p>A I can't remember --</p> <p>MR. PARKER: Outside the scope.</p> <p>THE WITNESS: I can't remember off the top of my head, but I would say they -- they were like IT-related certifications.</p>		
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O. PMK Deposition of Kate Waggoner

MATERIAL OBJECTED TO	GROUND FOR OBJECTION	ORACLE'S RESPONSE
<p>Waggoner PMK Dep. 113:14-114:24</p> <p>Q. Well, let's start with new hires. If it's -- if it differs between new hires and current or existing employees, et cetera -- well, let's start with new hires.</p> <p>A. Okay.</p> <p>Q. So --</p>	<p>FRE 1002: Best Evidence Rule</p>	<p>The deponent's statement does not seek to establish the content of a writing. The deposition excerpt cited pertains to the declarant's opinions and understanding regarding how managers determine salaries for new hires. The deponent's testimony is the best evidence of her opinions and</p>

MATERIAL OBJECTED TO	GROUNDS FOR OBJECTION	ORACLE'S RESPONSE
<p>A. So the salary range -- or the salary that's determined by a manager in -- for a new hire --</p> <p>Q. Uh-huh.</p> <p>A. -- the employee -- the candidates generally come to us with -- I mean, they have their -- their resume they've reviewed, the manager</p>		<p>her understanding.</p>
<p>Waggoner PMK Dep. 117:12-121:18</p> <p>Q. (By Mr. Song) Okay. If an M- -- so let's say an M-2 makes a compensation decision. How many levels of a review -- review, sorry, does it go up?</p> <p>MS. CONNELL: Objection. Calls for speculation. Incomplete hypothetical.</p> <p>A. The -- anything regarding pay --</p> <p>Q. (By Mr. Song) Uh-huh.</p> <p>A. -- really would -- prior to -- we had the accelerated hiring experience. I don't know if you're familiar with that. That is one of the exhibits that are here. But in 2013, when this started up, until fairly recently with the accelerated hiring experience, it would go up every level. It would first go to an HR representative, and then it would go to a compensation person, and it would go up the whole chain, up to the very top. But once you reach, you know, the -- once it goes through, like, HR and comp and then maybe one level of manager, it's really -- it goes to the -- the sanity check piece: Like, does this pass the sniff test? They're not doing any real deep diving into anything. It really is what that first-line manager has submitted --</p> <p>Q. Okay.</p> <p>A. -- just continues on up the road.</p> <p>Q. Okay.</p> <p>A. With accelerated hiring, it skips,</p>	<p>FRE 1002: Best Evidence Rule</p>	<p>The deponent's statement does not seek to establish the content of a writing. The deposition excerpt cited pertains to the declarant's opinions and understanding regarding how compensation decisions are reviewed at Oracle. The deponent's testimony is the best evidence of her opinions and her understanding.</p>

MATERIAL OBJECTED TO	GROUNDS FOR OBJECTION	ORACLE'S RESPONSE
<p>now, compensation and tends to go all the way up so that the process happens as -- as it indicates, accelerated hiring, everything moves much quicker.</p> <p>Q. Uh-huh.</p> <p>A. And so it goes up, but again, to the -- to the CEO office. But again, it's really that sanity check of making sure -- we've had -- we've had situations, for example, where the CEO office realizes they missed a comma, and then the salary they offered was, like, \$2,000 instead of 200,000 -- like, just things that --</p> <p>Q. Yeah.</p> <p>A. -- if they look too quickly --</p> <p>Q. Yeah, dotting your T's?</p> <p>A. -- they miss it.</p> <p>Q. Yeah, dotting -- yeah.</p> <p>A. So it's -- it's the -- in the end, does this look fine? They're not going into any specific detail.</p> <p>Q. And when did accelerated hiring start?</p> <p>A. I believe it was 2018 sometime.</p> <p>Q. Okay. But prior -- so prior to then, HR, comp, and maybe one manager would have more of a substantive review rather than just a sanity check?</p> <p>A. In most cases, I would say --</p> <p>Q. In most cases?</p> <p>A. -- yes. Yeah.</p> <p>Q. Okay. And so what -- what would that entail?</p> <p>MS. CONNELL: Objection. Calls for speculation.</p> <p>A. That would entail, you know, maybe looking at -- looking at a resume to see what kind of experience they bring, making sure -- you know,</p>		

MATERIAL OBJECTED TO	GROUNDINGS FOR OBJECTION	ORACLE'S RESPONSE
<p>looking at -- glancing at the peer group to say: Does this make -- you know, what does -- what compa-ratio does it give this person? Where does it place them in the range? Does it make sense for what they bring to the table? And, you know, if we've identified these are the seven peers, does it fall nicely in there? It's just kind of a review to make sure that that -- that that makes sense.</p> <p>Q. (By Mr. Song) Okay. So HR, comp, and the manager directly --</p> <p>A. First-line manager.</p> <p>Q. -- above that manager -- First-level manager?</p> <p>A. Yeah.</p> <p>Q. Would do this kind of a review?</p> <p>MS. CONNELL: Objection. Incomplete hyp- --</p> <p>Q. (By Mr. Song) Or maybe they should do one?</p> <p>MS. CONNELL: Incomplete hypothetical and calls for speculation.</p> <p>A. I would -- so the -- the manager the next level up maybe wouldn't go into that -- that's more -- first-line manager, HR, and compensation would either review it individually or maybe over the phone to say: This -- you know, this is where we think this person should fall based on the resume and -- and their location and what they bring to the table. And then when the manager submits the Workflow, they would probably put in the justification, you know: This -- we positioned it here for this reason. And then the next-level manager might look a little bit closer.</p> <p>Q. Okay.</p>		

MATERIAL OBJECTED TO	GROUND'S FOR OBJECTION	ORACLE'S RESPONSE
<p>A. But if it's not -- I mean, if it's over the range, yes, they're going to dig into it a little bit more. If it seems kind of out of line, really, it -- it -- even that next-line manager, it's likely that the hiring manager probably already had a conversation with his or her direct manager to say, "This is my opening and this is the window of what I'd like to offer." And so there's probably already been, before they even get to that point. So I would say when it reaches that next-level manager, they likely aren't digging in quite as much as HR and comp would have with the manager in that initial setting.</p>		
<p>Waggoner PMK Dep. 155:7-156:10 Q. Okay. And are approvals required for compensation decisions? A. Well, yes. MS. CONNELL: Objection. Compound, but . . . A. It -- so on here, the -- when it comes to, like, the assignment, one of -- about halfway down the page, the assignment when it comes to some -- like job change, I think in -- in my capacity here, the job codes and the job changes would be part of compensation-ish, and, you can see, it's one level up and then an HR is required. But when it comes to any changes in pay, there's the -- when it -- dollars at the bottom of the page. Q. (By Mr. Song) Uh-huh. A. All of this -- you'll see some of them -- so base salary increase goes all the way up through the CEO office. But again, that's a cursory, a sanity check -- Q. Sanity check?</p>	<p>FRE 1002: Best Evidence Rule</p>	<p>The deponent's statement does not seek to establish the content of a writing. The deposition excerpt cited pertains to the declarant's opinions and understanding regarding how compensation decisions are approved at Oracle. The deponent's testimony is the best evidence of her opinions and her understanding.</p>

MATERIAL OBJECTED TO	GROUND FOR OBJECTION	ORACLE'S RESPONSE
<p>A. -- they're not doing anything real . . . And then, like, the addition of annual target variable for the first time, that also goes up to the very top level. Relocation. So yeah, there's -- there's things that are compensation related that -- that go up and it -- this documents what level of final approval is required in order for it to get processed.</p>		
<p>Waggoner PMK Dep. 161:10-162:13</p> <p>Q. Okay. And the -- the final-level sanity check, is that Mr. Ellison or the board?</p> <p>A. No. That is -- we have a team of three who are considered the CEO office of approvers, and they are lower-level individual contributors that, again, do that sanity check to say, "Does this -- is this -- does this look okay?" But they're handling thousands every month because they do it globally, and it's really just that cursory review to say, "Does this -- does everything look up to . . ."</p> <p>Q. Okay. And that's Mr. Ellison, Ms. Catz, and is it --</p> <p>A. Oh, no. They have nothing to do with it. There is a team of three low-level individual contributors who represent the office of the CEO to make -- to -- to do that final checkbox that it's approved after their sanity check.</p> <p>Q. Who are the three team members?</p> <p>A. Carolyn Balkenhol; she's mentioned in this document, in fact, in the notes on page 10. It says Carolyn Balkenhol is in there. Carolyn Balkenhol, and then the other two women are Lynn -- I forgot Lynn's last name -- and Yvonne Sieber. I forget --</p>	<p>FRE 1002: Best Evidence Rule</p>	<p>The deponent's statement does not seek to establish the content of a writing. The deposition excerpt cited pertains to the declarant's opinions and understanding regarding how compensation decisions are approved at Oracle. The deponent's testimony is the best evidence of her opinions and her understanding.</p>

MATERIAL OBJECTED TO	GROUNDINGS FOR OBJECTION	ORACLE'S RESPONSE
<p>I forget Lynn's last name, though. But it's three women who monitor that inbox that's considered the CEO office of approvers. But the -- the CEO and executive, that -- they're proxies for them. They -- those guys don't actually see these.</p>		
<p>Waggoner PMK Dep. 164:10-165:1 Q. At what level can changes still be made to the salary decision? All the way to the CEO office? MS. CONNELL: Objection. Vague and ambiguous. Incomplete hypothetical. A. I would say -- I mean, technically speaking, a request for a change could happen at any level. It's pretty rare. I -- it's very rare that stuff gets changed. Because there's so much done by the front-line manager, with HR and with comp and coming -- like, they don't -- they don't have any interest in delaying this process. They are not interested in putting something up for -- for the levels of approval, only to have it shot down and come back to them. So the -- the thorough review at the beginning is intended to make its way and pass all the way through. So it's very rare that anything would change after the manager.</p>	<p>FRE 1002: Best Evidence Rule</p>	<p>The deponent's statement does not seek to establish the content of a writing. The deposition excerpt cited pertains to the declarant's opinions and understanding regarding how salary decisions are reviewed at Oracle. The deponent's testimony is the best evidence of her opinions and her understanding.</p>
<p>Waggoner PMK Dep. 167:22-169:8 Q. (By Mr. Song) Ms. Waggoner, regarding sanity checks -- A. Uh-huh. Q. -- for the top-level reviews, how do you know that they're only sanity checks at the top? A. I have had numerous conversations. I know Carolyn fairly well. I've had numerous conversations about -- about</p>	<p>FRE 1002: Best Evidence Rule</p>	<p>The deponent's statement does not seek to establish the content of a writing. The deposition excerpt cited pertains to the declarant's opinions and understanding regarding how compensation decisions are reviewed at Oracle. The deponent's testimony is the best evidence of her opinions and her understanding.</p>

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<p>her and kind of what they're – what they're looking at, what they're looking for. I also know that because there's only three of them and they handle this responsibility globally --</p> <p>Q. Uh-huh.</p> <p>A. -- there are thousands that come through. So they don't -- there would be no possible way for three of them to do any deep digging into what's going on.</p> <p>Q. Okay. And so did anybody tell you that they're just sanity checks?</p> <p>A. Oh, yes. My -- I mean, Carolyn, when we've talked about what it is she's looking at and what it is she's going -- she's going through, she and I have talked about, before, how this is just making sure nothing crazy is going on.</p> <p>Q. Uh-huh. Okay. And what about at the EVP level, those are sanity checks as well?</p> <p>A. Yes, I believe so.</p> <p>Q. Okay. All right. And how do you know they're only sanity checks there?</p> <p>A. Also because at this level, people are pretty far removed from the individuals themselves and the -- the data, the actual data.</p> <p>Q. Uh-huh.</p> <p>A. And because they have a lot -- a lot of volume that will come through to them as well and – they simply don't get into that kind of detail when it come -- they have much bigger strategic and visionary work to do than get into the minutiae of an offer.</p>		
<p>Waggoner PMK Dep. 170:10-23 Q. All right. What about SVP, senior</p>	<p>FRE 1002: Best Evidence Rule</p>	<p>The deponent's statement does not seek to establish the content of a writing. The deposition excerpt</p>

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<p>vice president? MS. CONNELL: Objection. Vague. A. What about them? Q. (By Mr. Song) What -- do -- they do sanity checks, correct? A. I would -- yes, I would say that theirs is a sanity check, unless the hire is for someone right below them. I mean, it really -- it depends on how far down -- if they're the first level after the submission, then they -- Q. Okay. A. -- might look at it a little more closely, but --</p>		<p>cited pertains to the declarant's opinions and understanding regarding a senior vice president's involvement in the compensation review process. The deponent's testimony is the best evidence of her opinions and her understanding.</p>
<p>Waggoner PMK Dep. 171:4-20 A. If I could add to that. The other reason I know is because it's -- they're almost never changed. Like, it -- it almost never gets rejected or -- or changed or anything. So it really is -- if this passes the sniff test, if this passes sanity, it's good. Q. Yeah. In your experience, how many have been changed at those levels? A. At that level? Q. Yeah. A. I couldn't even begin to guess, but - Q. Okay. A. -- very small. Q. Okay. Like less than five? A. Over the span of many, many years? I couldn't say a number. I would say well less than 5 percent over the span of many years.</p>	<p>FRE 1002: Best Evidence Rule</p>	<p>The deponent's statement does not seek to establish the content of a writing. The deposition excerpt cited pertains to the declarant's opinions and understanding regarding how compensation decisions are reviewed at Oracle. The deponent's testimony is the best evidence of her opinions and her understanding.</p>
<p>Waggoner PMK Dep. 195:16-198:13 Q. And that's when those reviews that go up the chain of command -- we talked about earlier -- happen, right?</p>	<p>FRE 1002: Best Evidence Rule</p>	<p>The deponent's statement does not seek to establish the content of a writing. The deposition excerpt cited pertains to the declarant's</p>

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<p>A. This -- in this particular -- in -- for focal, so the up-the-chain-of-command thing, that's for -- more for new hires, for individual Workflows. For this particular process, it -- it can go up the chain of command.</p> <p>Q. Uh-huh.</p> <p>A. And, like, a third- or fourth-level manager can see everything that's been entered for their lower-level managers, but it does not require that every single level click "Approve, Approve, Approve, Approve." It doesn't -- it doesn't really work quite the same way.</p> <p>Q. Okay. And -- but there's still the sanity checks at the top for -- for these focal review approvals?</p> <p>A. At the very top, the -- it's more, it -- the -- they confirm that everybody stayed within the budget they were given. So at the end of a program, I present a summary to our CEOs and CT- -- executive vice -- or executive chairman and CTO that shows: This was their eligible head count, this is who -- this is how many got a raise, this was their budget, and this was their spend. And as long as everybody stayed within the budget they were given, we get the green light to post, to process them.</p> <p>Q. Okay. For new hires, you -- you mentioned that there were -- there was the next-level manager, the compensation -- the compensation consultant, and the HR business manager who would do a little bit more of a substantive review of the pay decision. Is that -- is that true here as well for the focal review process?</p> <p>A. For the -- so I believe -- I believe</p>		<p>opinions and understanding regarding how compensation decisions are reviewed at Oracle. The deponent's testimony is the best evidence of her opinions and her understanding.</p>

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<p>more -- what I testified to that was that the -- the managers might consult with their business partners, and they would have a conversation about what makes sense for that new hire offer. And if necessary, HR might engage comp if they would like some help. Comp was -- compensation consultant was not always involved with those decisions. With a -- when we have a focal program open, the manager may or may not engage with HR. HR may or may not engage with comp. But they -- but HR and compensation do look at the worksheets and run downloads of the worksheets to do some sanity checks to make sure, you know, we -- we might have a case where somebody accidentally -- actually, what happen -- what tends to happen, and I mentioned it here, there is a currency switcher. And so sometimes managers think they're entering all their recommendations in as -- as U.S. dollars, but then when HR goes in to run kind of a -- to run a -- just a spot-check of what's going on and what's been entered and how much progress has been made --</p> <p>Q. Uh-huh.</p> <p>A. -- HR discovers that they put in -- say they put in for 10,000 and their intention was \$10,000, but it actually was only -- they were on the local currency page, so 10- -- it was 10,000 rupees, which comes to like a dollar. And so just those kinds of -- they go in and check to make sure that what they're -- what is being inputted is -- and they'll follow up then with the manager to say, "I don't think you meant to do this." So they'll do a little bit of spot checks on it, but it's not -- I</p>		

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wouldn't say there are real in-depth analyses on things, but they are available to consult with the manager, should the manager need to have some conversation around . . .		

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Respectfully submitted,
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