

Conciliation Agreement  
Between the  
U.S. Department of Labor Office of Federal Contract Compliance Programs  
And  
CROTHALL HEALTHCARE INC.

**I. Preliminary Statement**

The Office of Federal Contract Compliance Programs (OFCCP) evaluated the CROTHALL HEALTHCARE INC. (Crothall) establishment located at 3333 Silas Creek Pkwy, Winston Salem, NC 27103-3013, beginning on August 11, 2016. OFCCP found that Crothall failed to comply with Executive Order 11246, as amended (E.O. 11246 or the Executive Order), and the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 (VEVRAA) and their respective implementing regulations at 41 C.F.R. 60-1, 60-2, 60-3 and 60-300.

OFCCP notified Crothall of the specific violations and the corrective actions required in a Notice of Violation (NOV) issued on December 9, 2019.

In the interest of resolving the violations without engaging in further legal proceedings and in exchange for sufficient and valuable consideration described in this document, OFCCP and Crothall (collectively, the Parties) enter into this Conciliation Agreement (Agreement), which includes all of its attachments, and agree to all the terms therein.

**II. General Terms and Conditions**

1. In exchange for Crothall's fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under E.O. 11246, Section 503, and/or VEVRAA based on the violations alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Crothall violates any provision of this Agreement, as set forth in Paragraph 11, below. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. OFCCP may review Crothall's compliance with this Agreement. As part of this review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. Crothall will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all hard copy or electronic reports and documents it requests, including those specified in this Agreement.
3. Nothing in this Agreement relieves Crothall of its obligation to fully comply with the requirements of E.O. 11246, Section 503, VEVRAA, their implementing regulations, or other applicable laws requiring nondiscrimination or equal employment opportunity through affirmative action.
4. Crothall and OFCCP agree that any release of claims required by this Agreement will only pertain to claims under E.O. 11246, Section 503, and/or VEVRAA.

5. Crothall shall not retaliate against any potential or actual beneficiary of this Agreement or against any person who files a complaint, who has provided information or assistance, or who participates in any manner in any proceeding in this matter.
6. Crothall and OFCCP understand the terms of this Agreement and enter into it voluntarily.
7. This Agreement, including its attachments, constitutes the entire Agreement and represents the complete and final understanding of the Parties. This Agreement contains all of the terms binding the Parties and it supersedes all prior written and oral negotiations and agreements. Any modifications or amendments to this Agreement must be agreed upon in writing and signed by all Parties. If an administrative error is found, the Parties will work in good faith to make the corrections.
8. This Agreement becomes effective on the day it is signed by OFCCP's Regional Director for the Mid-West (Effective Date).
9. If one or more provisions of this Agreement is deemed unlawful or unenforceable, the remaining provisions will remain in full force and effect.
10. This Agreement will expire sixty (60) days after Crothall submits its final progress report required in Section VIII, below, unless OFCCP notifies Crothall in writing before the expiration date that Crothall has failed to fulfill all of its obligations under the Agreement. In this instance, the Agreement is automatically extended until the date that OFCCP determines that Contractor has met all of its obligations under the Agreement.
11. If Crothall violates this Agreement:
  - a. The procedures at 41 C.F.R. 60-1.34 and 41 C.F.R. 60-300. 63 (2014) will govern:
    - i. OFCCP will send Crothall a written notice stating the alleged violations and summarizing any supporting evidence.
    - ii. Crothall will have fifteen (15) days from receipt of the notice to respond, except in those cases in which such a delay would result in irreparable injury to the employment rights of affected employees or applicants.
    - iii. If Crothall is unable to demonstrate that it has not violated the Agreement, or if OFCCP's alleges irreparable injury, enforcement proceedings may be initiated immediately without issuing a show cause notice or proceeding through any other requirement.
    - iv. In the event of a breach of this Agreement by Crothall, OFCCP may elect to proceed to a hearing on the entire case and seek full make-whole relief, and not be limited to the terms agreed to in the Agreement.

- b. Crothall may be subject to the sanctions set forth in Section 209 of the Executive Order, 41 C.F.R. 60-1.27 and 41 C.F.R. 60-300.66 (2014), and/or other appropriate relief for violating this Agreement.
- 12. Crothall denies any violation of the Executive Order, Section 503 or VEVRAA, nor has there been an adjudication on the merits regarding any such violation.
- 13. OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations resolved by this Agreement.
- 14. The Parties understand and agree that nothing in this Agreement is binding on other governmental departments or agencies other than the United States Department of Labor.
- 15. Each party shall bear its own fees and expenses with respect to this matter.
- 16. This Agreement is limited to the facts of this case. Neither this Agreement, nor any part of the negotiations that occurred in connection with this Agreement, shall constitute admissible evidence with respect to any OFCCP policy, practice or position in any lawsuit, legal proceeding, administrative proceeding, compliance evaluation or audit, except for legal or administrative proceedings concerning the enforcement or interpretation of this specific Agreement.
- 17. All references to “days” in this Agreement, and in the Timeline included as Attachment B, are calendar days. If any deadline for an obligation scheduled to be performed under this Agreement falls on a weekend or a Federal holiday, that deadline will be extended to the next business day.

### **III. Specific Violation and Remedies**

- 1. **VIOLATION:** OFCCP found that Crothall violated the nondiscrimination requirements of the equal opportunity clause of E.O. 11246 section 202 and 41 C.F.R. 60-1.4(a)(1). OFCCP found a statistically significant disparity, not otherwise explained, in the hiring of Environmental Services job group positions based on gender. OFCCP’s analysis of Crothall’s hiring process and selection procedures revealed that during the period of April 1 2015 through March 31, 2016 (“review period”) Crothall discriminated against male applicants for positions within the 9A Environmental Services job group.

### **IV. Financial Remedy**

#### **1. Settlement Fund**

- a. **Settlement Fund Account.** Within five (5) days after the Effective Date, Crothall shall deposit a total of \$120,000.00 in a separate Operating Account maintained by Crothall at the prevailing interest rate. Crothall shall notify OFCCP when this action is complete and provide appropriate documentation. The settlement fund is a negotiated amount that represents estimated back pay and accrued interest. Crothall’s share of taxes on the portion representing back pay (such as federal, state and/or local taxes and Federal

Income Contributions Act (FICA)) is not part of the Settlement Fund. Crothall shall be responsible for any banking account fees.

- b. **Specific Settlement Fund Amounts.** The total Settlement Fund amount includes \$106,000 in back pay and \$14,000 interest to resolve the specific violation set forth above, as follows:

## 2. Allocation

- a. **Total Amount to be Allocated.** The back pay and interest amounts of the Settlement Fund, plus any additional interest that accrues on these interest-bearing accounts, will be distributed among the eligible applicants as explained in this Section. Individual shares will include appropriate deductions for each individual's share of payroll deductions required by law on the portion representing back pay only, such as federal (FICA/Federal Unemployment Tax Act (FUTA)), state or local insurance premiums or taxes.
- b. **Affected Applicants Eligible to Receive Payments.** The Settlement Fund will be distributed equally to all Affected Applicants (identified in Attachment A) who timely respond to the Notice Process as explained below, and whose eligibility is verified (hereinafter, Eligible Applicants). These individuals will be listed on the Final List of Eligible Applicants (Final List). The process of determining the Final List is explained below under Notice Process. All Eligible Applicants are entitled to an equal share of the monetary settlement regardless of whether they are currently interested in employment with Crothall.
- c. **Payments to Eligible Applicants.** OFCCP will provide Crothall a list of the payment amount for each Eligible Applicant on the Final List by the date set forth on the Timeline. Crothall shall issue checks or make electronic payments to each Eligible Applicant in the stated amount, along with appropriate tax reporting forms (such as W-2 and Internal Revenue Service (IRS) Form 1099) by the date set forth on the Timeline. OFCCP will receive timely documentation of all payments made and any payments returned undelivered or any checks not cashed, as set forth on the Timeline. Any check that remains uncashed 180 days after the initial date the check was mailed to the Eligible Applicant will be void. With respect to any uncashed funds, Crothall will make a second distribution to all Eligible Applicants who cashed their first check.
- d. **Tax Payments, Forms and Reporting.** Crothall shall pay the contractor's share of social security withholdings, and any other tax payments required by law from additional funds separate from the Settlement Fund. Crothall shall mail to each Eligible Applicant an IRS Form W-2 for that portion of the payment representing back pay and an IRS Form 1099 for that portion of the payment representing interest. These IRS forms will be provided to the Eligible Applicants either at the time of payment, electronically or with the settlement checks, or at the end of the year. No Eligible Applicant will be required to complete a W-4 or W-9 in order to receive payments under this settlement.

### 3. Notice Process

- a. **OFCCP and Crothall Obligations under the Notice Process.** The Notice Process set forth in this Agreement is intended to provide Affected Applicants a meaningful opportunity to understand their rights and obligations and act on them in a timely manner. This process includes providing Affected Applicants with notice in multiple relevant languages and through multiple channels, if appropriate, and providing technical assistance to Affected Applicants seeking information about their rights and obligations under this Agreement. As specified in the Timeline and as otherwise necessary to fulfill this Agreement, Crothall and OFCCP will regularly meet and confer in person, by phone/video platform and/or by email to determine how best to carry out the Notice Process, and to decide whether any activity, deadline or document should be modified. OFCCP and Crothall will not unreasonably withhold consent to reasonable modifications proposed by either party.
- b. **Notice Documents.** Crothall shall distribute Notice Documents to Affected Applicants identified in Attachment A consistent with the sample Notice Documents contained in Attachment C. The Notice Documents include the following forms: (a) Notice; (b) Release of Claims; and (c) Information Verification and Employment Interest Form.. The Notice Documents may also include other materials such as standard OFCCP or U.S. Department of Labor materials, instructions or a cover sheet, job applications, or other information that better enables Affected Applicants to understand their rights and obligations and act on them in a timely manner. The Notice Documents will make clear the information about the settlement is being provided by or on behalf of the U.S. Department of Labor. As specified in the Timeline and as otherwise necessary to fulfill this Agreement, the Parties will meet and confer on any reasonable modifications of the sample Notice Documents or additions to the materials distributed by Crothall, if proposed by either party.
- c. **Timeline.** Attachment B sets forth the agreed Timeline for Notice and for the Parties' other obligations under this Agreement. The Parties will meet and confer on any reasonable modifications to the Timeline proposed by either party.
- d. **Search for Affected Applicants/Employees.** OFCCP shall provide Crothall with complete contact information in its possession or its authority to obtain on the Affected Applicants by the date set forth in the Timeline.
- e. **Distribution of Mail Notice to Affected Applicants.** Crothall shall provide initial notice by regular first-class mail. Crothall shall send copies of all of the Notice Documents as defined above, including a postage-paid return envelope, by first class mail to the best available mailing address for each Affected Applicant (or his next of kin or legal representative in the event he is deceased), by the date set forth in the Timeline. If envelopes from the initial mail notice are returned with forwarding addresses, Crothall will re-mail the Notice Documents within five (5) days of receipt of the forwarding address.

Based on the response to the initial mail notice, the parties will meet and confer by the date set forth in the Timeline to assess the results of the initial mail notice and to ensure that the second round of mail notice maximizes the potential response rate. In accordance with the Timeline, Crothall will provide OFCCP with a list of all 224 class members in Microsoft Excel for both the initial and second mailing that includes the following: First Name, Last Name, Address Mailed to, City, Zip Code, social security number (if known), deliverable or undeliverable, Attachment C received by Crothall – Y/N, Attachment C acceptable – Y/N, Attachment D received by Crothall – Y/N, Attachment D acceptable – Y/N.

If a class member responds to either the first or second mailing and submits an incomplete response (including, but not limited to, one where a Social Security number was not provided), Crothall must notify OFCCP by the following Monday of each week after receiving the incomplete response, and OFCCP will follow up with that individual to attempt to obtain the missing information. Crothall will provide this notification to OFCCP by emailing Compliance Officer (b) (6), (b) (7)(E) at (b) (6), (b) (7)(C)@dol.gov. In that email, Crothall will specify the deficiencies and attach an electronic copy of the incomplete paperwork.

- f. **Distribution of Notice by Other Means.** Crothall shall work with the OFCCP to develop a recommended plan for Notice by other means in addition to first class mail, including, as appropriate, use of email and telephone contact, distribution of information on websites, paid newspaper, web, radio or other advertisement, social media, or in-person community meetings. These other means will be designed to maximize the ability of Affected Applicants to understand their rights and obligations under this Agreement and act upon them. OFCCP will also conduct independent efforts to communicate with Affected Applicants about this Agreement through official U.S. Department of Labor channels and in partnership with community-based organizations.
- g. **Notice Deadline.** The final deadline for any Affected Applicant to respond to the notice is set forth in the Timeline. The Parties will prominently display this deadline on all materials they distribute in paper or online form regarding this Agreement, and explain that failure to respond by this deadline will result in a forfeiture of any relief provided by this Agreement.
- h. **Technical Assistance.** The Parties will timely respond to any inquiries from Affected Applicants using information consistent with this Agreement and the Notice Documents and will document all inquiries and the result. OFCCP will provide contact information for individuals to contact OFCCP regarding this Agreement. The Parties will prominently display this contact information on all materials they distribute in paper or online form regarding this Agreement. Crothall will provide OFCCP contact information to any Affected Applicant with questions or concerns.
- i. **Exchange of Information Regarding Affected Applicants.** Crothall and OFCCP will timely exchange information regarding Affected Applicants, including updated contact information and the results of any technical assistance provided.

- j. **Final List of Eligible Applicants.** The Final List will include all Affected Applicants who timely respond to the Notice by the deadline set forth in the Timeline and whose eligibility is verified by OFCCP. The Parties will establish the Final List by the date set forth in the Timeline. The Parties will meet and confer on any outstanding issues or questions regarding the Final List. Either party may identify potentially eligible Applicants who may have been erroneously excluded from the original or any subsequent list. OFCCP shall make the final determinations of eligibility but will make every effort to negotiate in good faith to resolve any dispute about the Final List. Crothall will provide to OFCCP any information necessary to determine the Final List.
- k. **Documentation of Payments.** By the deadline set forth in the Timeline, Crothall shall provide OFCCP with copies of cancelled checks or electronic documentation of all payments to Eligible Applicants, including the amounts paid, the date payment was sent, the date payment was received or the check cashed, and any uncashed or returned checks. In the event of a second distribution, Crothall will provide a similar documentation on the second distribution
- l. **Contractor's Expenses.** Crothall shall pay all expenses associated with carrying out its duties pursuant to this Section from funds separate and apart from the amount designated in this Agreement for the Settlement.

## V. Additional Individual Relief

### 1. Job Opportunities

- a. **Description of Job Opportunities.** As vacancies occur in the Environmental Service job group, Crothall shall make bona fide job offers with retroactive seniority to Eligible Applicants who have expressed interest in employment and are not currently employed in the job at issue by Crothall, until 28 are hired or the list of Eligible Applicants is exhausted, whichever comes first. In addition, all Eligible Class Members hired must receive retroactive seniority using the date of their original application as the hire date for all purposes, including job retention, job bidding, and benefits. Until 28 Eligible Class Members are hired, these Eligible Applicants will have priority over all other candidates for hire into Environmental Services positions. As vacancies occur in the job group, Crothall shall contact the Eligible Applicants with a written job offer in the order in which they submitted their Information Verification and Employment Interest Form or, if the Forms were received on the same day, in the order of their original application date.

The report-to-work date for Eligible Applicants hired pursuant to this Agreement will be no later than fourteen (14) days after the date the written job offer is accepted. Each Eligible Applicant must report to work on the day designated or provide Crothall notice of good cause for their absence on or before that date. If good cause is provided, the Eligible Applicant must report to work within five (5) days of the original designated start date. If he/she does not so report, Crothall may withdraw the job offer to him/her and will be under no obligation to hire him/her under this Agreement. However,

Crothall remains obligated to hire Eligible Applicants until 28 Environmental Service positions are filled or the list of Eligible Applicants is exhausted, whichever comes first.

Crothall shall pay Eligible Applicants hired under this provision at least the current wage based on applicants' qualifications for Environmental Services positions, and provide all regular and on-the-job training currently provided to employees in that position.

- b. **Reporting.** Crothall shall document the job offers and hires, including job offers made, reasons for rejection, and Eligible Applicants hired and terminated during the monitoring period as set forth in Section VIII, OFCCP Monitoring Period, below.

## **VI. Modifications to Employment Practices and Other Non-Monetary Relief**

Crothall shall ensure all applicants are afforded equal employment opportunities. Crothall shall cease using the selection procedures, practices, and/or policies, which negatively affected the hiring of male applicants into positions within the Environmental Service job group immediately. Crothall shall continue and/or to implement the corrective actions detailed below.

### 1) Revised Hiring Processes

- a. Eliminate Discriminatory Selection Procedures: Crothall shall comply with all OFCCP regulations concerning selection procedures, including 41 C.F.R. 60-3. Crothall will not use any selection procedure that has an adverse impact, as defined in 41 C.F.R. 60-3.4D, on applicants of a particular sex unless it properly validates the procedure pursuant to these regulations.
- b. Review and Revisions Required: Crothall shall revise, in writing, the practices, policies and procedures it uses to select applicants for positions in the Environmental Services job group (hereinafter "Revised Hiring Process"). Specifically, Crothall shall:
  - i. create a selection process for positions in the Environmental Services job group which describes: the essential functions; the minimum qualifications including required skills and certifications; and the criteria used in each step of the hiring process, including any application screens, interviews, tests, credit checks, review of criminal history, reference checks, testing, or other selection procedure;
  - ii. develop specific, job-related qualification standards for positions in the Environmental Services job group that reflect the duties, functions, and competencies of the position to

minimize the potential for gender stereotyping or other unlawful discrimination;

- iii. ensure all policies and qualification standards are uniformly applied to all applicants; and
  - iv. list clearly on its recruiting materials and job postings the minimum qualifications, including required skills and certifications.
- c. Recordkeeping and Retention: Crothall shall write and implement procedures to ensure that applicants at Crothall are tracked, and decisions are documented at each step in the hiring process. Crothall shall write and implement procedures to ensure that documents are retained in accordance with 41 C.F.R. 60-1.12(a) and 60-3.
- d. Training: Within 90 days of the Effective Date of this Agreement, Crothall shall train all individuals involved in any way in recruiting, selecting, or tracking applicants for positions in the Environmental Services job group on the Revised Hiring Process. The training will include (but is not limited to) instructions in: the proper implementation of the recruitment, tracking and selection procedures; neutral application of the specified qualifications and criteria that will be used at each step in the hiring process; procedures to be used to document the decisions made at each step in the hiring process; and the procedures to be used to ensure that documents are retained in accordance with 41 C.F.R. 60-1.12(a) and 60-3. Crothall shall maintain a list of employees who attended the training. Crothall shall ensure that any applicants benefitting from the provisions of this Agreement are not retaliated against.
- e. Monitoring: Crothall shall monitor selection rates at each step of its selection process for positions with the Environmental Services job group. Where it is determined that a selection procedure has an adverse impact, as defined in 41 C.F.R. 60-3.4D, on the hiring of applicants of a particular race or gender, Crothall will eliminate the procedure, choose an alternative procedure, or validate the procedure in accordance with the Uniform Guidelines on Employee Selection Procedures codified at 41 C.F.R. 60-3. Crothall shall maintain and make available to OFCCP records concerning the impact of the selection process for positions within the Environmental Services job group at the Winston-Salem, North Carolina facility. These records must include the number of persons hired by gender, the number of applicants who applied by gender, and the selection procedures utilized. This information will be maintained, until the expiration of

this Agreement, or as long as required by the regulations, whichever is later.

## **VII. Technical Violations and Remedies**

- 1. VIOLATION:** During the period of April 1, 2015 through March 31, 2016, Crothall failed to perform in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exists, as required by 41 C.F.R. 60-2.17(b). Specifically, Crothall had hiring activity that showed statistically significant adverse impact against males during the review period and Crothall failed to evaluate the causes for the adverse impact any further.

**REMEDY:** Crothall shall perform in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exists, as required by 41 C.F.R. 60-2.17(b). Specifically, Crothall shall evaluate the individual components of the selection process after determining the total selection process for a job has an adverse impact. Crothall shall make this evaluation in accordance with the requirements of 41 C.F.R. 60.3.4(c).

- 2. VIOLATION:** During the period April 1, 2015 through March 31, 2016, Crothall failed to keep and preserve complete and accurate personnel and employment records, in violation of 41 C.F.R. 60-1.12(a) and (e). Specifically, Crothall failed to maintain all documentation created under its selection system for all 9A Environmental Services Job Group applicants and failed to keep the records for a period of not less than two years from the date of the making of the record or the personnel action, whichever occurred later.

**REMEDY:** Crothall shall keep and preserve complete and accurate personnel and employment records, in accordance with 41 C.F.R. 60-1.12(a) and (e), and will keep and preserve those records for a period of not less than two years from the date of the making of the record or the personnel action, whichever occurs later. However, if Crothall has a total workforce of 150 or fewer employees or does not have a government contract of at least \$150,000, the minimum record retention period shall be one year from the making of the record or the personnel action, whichever occurs later, as permitted by 41 C.F.R. 60-1.12(a).

- 3. VIOLATION:** During the period April 1, 2015 through March 31, 2016, Crothall failed to evaluate, by gender, race or ethnic group, the individual components of its selection process for adverse impact for each job that had adverse impact in the total selection process, in violation of 41 C.F.R. 60-3.4C.

**REMEDY:** Crothall shall collect, maintain, and have available for inspection records or other information that discloses the impact its tests and other selection procedures has on employment opportunities of persons by identifiable race, sex, or ethnic group. When the total selection process for a job has an adverse impact, the individual

components of the selection process should be evaluated for adverse impact in accordance with the requirements of 41 C.F.R. 60.3.4(c).

4. **VIOLATION:** During the period April 1, 2015 through March 31, 2016, Crothall failed to immediately list all employment openings with either the state workforce agency job bank or a local employment service delivery system serving the location where the openings occurred in violation of 41 C.F.R. 60-300.5(a)2-6.

**REMEDY:** Crothall shall list all employment openings as they occur with an appropriate employment service delivery system (ESDS) (either the state workforce agency job bank or a local ESDS) where the openings occur, in a manner and format that will allow the ESDS to provide priority referrals of protected veterans to Crothall, as required by 41 C.F.R. 60-300.5(a)2-6. With its initial listing, and as subsequently needed to update the information, Crothall will also advise the employment service delivery system that it is a federal contractor that desires priority referrals of protected veterans for job openings at all locations within the state, and provide the employment service delivery system with the name and address of each of its hiring locations within the state and the contact information for the contractor official responsible for hiring at each location, in accordance with 41 C.F.R. 60-300.5(a)4. Should any of the information in the disclosures change since it was last reported to the ESDS, Crothall will provide updated information simultaneously with its next job listing.

### **VIII. OFCCP Monitoring Period**

1. **Recordkeeping.** Crothall shall retain all records relevant to the violations cited in the Sections above and the reports submitted in compliance with Paragraph 2, below. These records include underlying data and information such as Human Resources Information System (HRIS) and payroll data, job applications and personnel records, and any other records or data used to generate the required reports. Crothall shall retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.

#### **2. Contractor Reports**

- A. **Schedule and Instructions.** Crothall shall furnish OFCCP with the following reports during the Monitoring Period according to the following schedule:

- 1) Within 60 calendar days of the effective date of the Agreement, Crothall must submit a copy of its current hiring process as required by Part VI of this Agreement.
- 2) Within 120 days of the effective date of this Agreement, Crothall must submit documentation that all managers, supervisors and other personnel involved in recruiting, selecting, and tracking of

applicants for hourly positions at the Winston Salem, NC establishment are trained on the hiring process as required by Part VI of this Agreement. The documentation must include the dates of the training, the names and job titles of all attendees, an outline of the topics discussed in the training, and the name and job title of each person who conducted the training.

- 3) Within the prescribed timeframes listed in Attachment B, Crothall must submit all documents and information referenced in Part IV of this Agreement.

**B. Schedule and Instructions.** Crothall shall furnish OFCCP with the following reports during the Monitoring Period according to the following schedule:

- A. **Progress Report 1:** Due September 15, 2021 and covering the period January 1, 2021 through June 30, 2021.
- B. **Progress Report 2:** Due March 1, 2022 and covering the period July 1, 2021 through December 31, 2021.
- C. **Progress Report 3:** Due September 15, 2022 and covering the period January 1, 2022 through June 30, 2022.
- D. **Progress Report 4:** Due March 1, 2023 and covering the period July 1, 2022 through December 31, 2022.

Crothall shall submit reports to (b) (6), (b) (7) (E), Compliance Officer, OFCCP Milwaukee District Office, 310 W. Wisconsin Ave., Suite 1115, Milwaukee, WI 53203 or (b) (6), (b) (7)(C)@dol.gov. Crothall and OFCCP have a common interest in the information being provided in the reports pursuant to this Agreement. To the extent any of the reports Contractor provides in accordance with this agreement are customarily kept private or closely-held, and that Crothall believes should remain confidential under Exemption 4 of FOIA in the event of a FOIA request, Crothall will provide such reports to OFCCP marked as “Confidential”. In the event of a FOIA request, OFCCP will treat any such documents received as confidential documents.

1. **Reports on Job Offers (if applicable).** In each Progress Report, Crothall shall report on all job offers and hires made to date pursuant to the Agreement until all of the job opportunities for the reviewed establishment are filled or the list of Eligible Applicants expressing interest in the positions is exhausted. This includes:
  - A. Documentation of all job offers made to Eligible Applicants, including the names of individuals offered jobs, the date of their application, the date of the offer, the date the offer was accepted or rejected, and the starting pay.

- B. Documentation of Eligible Applicants who expressed interest in job offers who did not successfully complete the application process, including the names of these individuals, the date of their application, if any, and the reason Crothall determined they did not successfully complete the application process. This includes individuals who did not receive job offers because all available positions were filled.
  - C. Documentation of Eligible Applicants who were hired and terminated during the life of this Agreement and the reason for the termination.
  - D. Documentation of the number of available positions remaining to be filled and the number of Eligible Applicants still on the list.
  - E. Documentation of the start dates for Eligible Applicants who were hired.
  - F. If Crothall has not filled all of the positions specified in this Agreement by the Progress Report date, documentation of the reason(s) this action is not complete and the good faith efforts being taken and planned for the next reporting period to complete it.
  - G. If Crothall fails to meet its hiring obligations under this Agreement by the close of the Monitoring Period, OFCCP reserves its rights under Section II, Paragraphs 9 and 10 of this Agreement to extend the monitoring period or to pursue enforcement remedies.
2. **Affirmative Action Programs.** Crothall shall submit its current year AAP for E.O. 11246 and VEVRAA with the first Progress Report and annually thereafter while the CA monitoring period is in effect.
  3. The total number of applicants and hires, the breakdown by race, gender and ethnic group of applicants and hires for Environmental Services positions during the reporting period. The information should also include job title applied for and job title hired into for each applicant.
  4. For Environmental Services positions at the Winston-Salem, North Carolina establishment, the results of Crothall's analysis as to whether its total selection process has an adverse impact, as defined in 41 C.F.R. § 60-3.4D, on gender. Crothall must also conduct analyze whether its total selection process for each job title in the Environmental Services job group has an adverse impact, as defined in 41 C.F.R. § 60-3.4D, on gender For purposes of these analyses, adverse impact analysis, Crothall must: (a) omit hires made pursuant to this Agreement; and (b) combine the data for the current report with the data from the previous report to analyze at least 12-month period).
  5. For each case where the total selection process has an adverse impact, as defined in 41 C.F.R. § 60-3.4D, the results of Crothall's evaluation of the individual

components of the selection process for adverse impact, and/or the actions taken by Crothall upon determining that any component of the selection process has an adverse impact on members of protected groups.

6. Documentation that employment openings were posted with the appropriate employment service delivery system (ESDS). This documentation must include: the job posting, the delivery system the opening was posted to, confirmation of the posting, and the point of contact (to include name, title, phone number and/or email address) the posting was sent to.

**Close of Monitoring Period and Termination of Agreement.** This Agreement will remain in effect until the monitoring period is completed. The monitoring period will close once OFCCP accepts Crothall's final progress report as set forth in Part II, Paragraph 10 above. If OFCCP fails to notify Crothall in writing within sixty (60) days of the date of the final progress report that Crothall has not fulfilled all of its obligations under the Agreement, OFCCP will be deemed to have accepted the final report and the Monitoring Period and this Agreement will terminate. If OFCCP notifies Crothall within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines Crothall has met all of its obligations under the Agreement.

**IX. SIGNATURES**

The person signing this Agreement on behalf of Crothall personally warrants that he or she is fully authorized to do so, that Crothall has entered into this Agreement voluntarily and with full knowledge of its effect, and that execution of this Agreement is fully binding on Crothall.

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and CROTHALL HEALTHCARE INC., Winston Salem, NC 27103-3013

~~(b) (6), (b) (7)(C)~~

~~John Paul LeBerge~~ *Bhavin Patel*  
~~Regional Manager~~ *Assistant General Counsel*  
CROTHALL HEALTHCARE INC 1805  
Winston Salem, NC 27103-3013

DATE: \_\_\_\_\_

~~(b) (6), (b) (7)(C)~~

12/10/2020

Carmen Navarro  
Regional Director  
OFCCP Midwest

Attachments:

- A. Final List of Applicants/Class Members
- B. Timeline
- C. Notice Documents

**Attachment A**  
**Final List of Applicants/Class Members**

<b>Count</b>	<b>First, Last Name</b>	<b>Race</b>	<b>Gender</b>
1	(b) (6), (b) (7)(C)	UNKNOWN	MALE
2		BLACK	MALE
3		BLACK	MALE
4		BLACK	MALE
5		BLACK	MALE
6		BLACK	MALE
7		BLACK	MALE
8		BLACK	MALE
9		UNKNOWN	MALE
10		BLACK	MALE
11		BLACK	MALE
12		BLACK	MALE
13		BLACK	MALE
14		UNKNOWN	MALE
15		BLACK	MALE
16		BLACK	MALE
17		UNKNOWN	MALE
18		BLACK	MALE
19		BLACK	MALE
20		BLACK	MALE
21		BLACK	MALE
22		UNKNOWN	MALE
23		BLACK	MALE
24		UNKNOWN	MALE
25		BLACK	MALE
26		BLACK	MALE
27		WHITE	MALE
28		BLACK	MALE
29		BLACK	MALE
30		UNKNOWN	MALE
31		UNKNOWN	MALE
32		BLACK	MALE
33		WHITE	MALE
34		BLACK	MALE

35	(b) (6), (b) (7)(C)	BLACK	MALE
36		BLACK	MALE
37		UNKNOWN	MALE
38		WHITE	MALE
39		BLACK	MALE
40		UNKNOWN	MALE
41		BLACK	MALE
42		UNKNOWN	MALE
43		BLACK	MALE
44		BLACK	MALE
45		TWO OR MORE	MALE
46		UNKNOWN	MALE
47		WHITE	MALE
48		BLACK	MALE
49		WHITE	MALE
50		UNKNOWN	MALE
51		BLACK	MALE
52		UNKNOWN	MALE
53		BLACK	MALE
54		BLACK	MALE
55		BLACK	MALE
56		UNKNOWN	MALE
57		BLACK	MALE
58		BLACK	MALE
59		BLACK	MALE
60		BLACK	MALE
61		BLACK	MALE
62		BLACK	MALE
63		BLACK	MALE
64		UNKNOWN	MALE
65		BLACK	MALE
66		BLACK	MALE
67		BLACK	MALE
68		BLACK	MALE
69		BLACK	MALE
70		BLACK	MALE
71		BLACK	MALE
72		BLACK	MALE

73	(b) (6), (b) (7)(C)	BLACK	MALE
74		BLACK	MALE
75		WHITE	MALE
76		BLACK	MALE
77		BLACK	MALE
78		UNKNOWN	MALE
79		BLACK	MALE
80		BLACK	MALE
81		BLACK	MALE
82		BLACK	MALE
83		BLACK	MALE
84		BLACK	MALE
85		BLACK	MALE
86		BLACK	MALE
87		UNKNOWN	MALE
88		BLACK	MALE
89		UNKNOWN	MALE
90		UNKNOWN	MALE
91		UNKNOWN	MALE
92		BLACK	MALE
93		BLACK	MALE
94		BLACK	MALE
95		BLACK	MALE
96		BLACK	MALE
97		BLACK	MALE
98		BLACK	MALE
99		BLACK	MALE
100		BLACK	MALE
101		BLACK	MALE
102		BLACK	MALE
103		UNKNOWN	MALE
104		BLACK	MALE
105		BLACK	MALE
106		BLACK	MALE
107		BLACK	MALE
108		BLACK	MALE
109		BLACK	MALE
110		BLACK	MALE
111		HISPANIC	MALE

112	(b) (6), (b) (7)(C)	UNKNOWN	MALE
113		BLACK	MALE
114		BLACK	MALE
115		BLACK	MALE
116		BLACK	MALE
117		BLACK	MALE
118		UNKNOWN	MALE
119		BLACK	MALE
120		BLACK	MALE
121		BLACK	MALE
122		BLACK	MALE
123		HISPANIC	MALE
124		BLACK	MALE
125		BLACK	MALE
126		UNKNOWN	MALE
127		BLACK	MALE
128		UNKNOWN	MALE
129		BLACK	MALE
130		BLACK	MALE
131		BLACK	MALE
132		BLACK	MALE
133		UNKNOWN	MALE
134		UNKNOWN	MALE
135		BLACK	MALE
136		UNKNOWN	MALE
137		BLACK	MALE
138		UNKNOWN	MALE
139		BLACK	MALE
140		BLACK	MALE
141		BLACK	MALE
142		UNKNOWN	MALE
143		BLACK	MALE
144		BLACK	MALE
145		BLACK	MALE
146		BLACK	MALE
147		BLACK	MALE
148		BLACK	MALE
149		UNKNOWN	MALE
150		BLACK	MALE

151	(b) (6), (b) (7)(C)	BLACK	MALE
152		BLACK	MALE
153		BLACK	MALE
154		UNKNOWN	MALE
155		BLACK	MALE
156		BLACK	MALE
157		BLACK	MALE
158		BLACK	MALE
159		HISPANIC	MALE
160		BLACK	MALE
161		UNKNOWN	MALE
162		BLACK	MALE
163		UNKNOWN	MALE
164		BLACK	MALE
165		UNKNOWN	MALE
166		BLACK	MALE
167		UNKNOWN	MALE
168		BLACK	MALE
169		UNKNOWN	MALE
170		BLACK	MALE
171		BLACK	MALE
172		UNKNOWN	MALE
173		BLACK	MALE
174		BLACK	MALE
175		BLACK	MALE
176		BLACK	MALE
177		BLACK	MALE
178		BLACK	MALE
179		BLACK	MALE
180		BLACK	MALE
181		BLACK	MALE
182		BLACK	MALE
183		BLACK	MALE
184		BLACK	MALE
185		BLACK	MALE
186		WHITE	MALE
187		BLACK	MALE
188		BLACK	MALE
189		UNKNOWN	MALE

(b) (6), (b) (7)(C)

190		BLACK	MALE
191		BLACK	MALE
192		BLACK	MALE
193		BLACK	MALE
194		BLACK	MALE
195		UNKNOWN	MALE
196		UNKNOWN	MALE
197		BLACK	MALE
198		BLACK	MALE
199		BLACK	MALE
200		BLACK	MALE
201		BLACK	MALE
202		BLACK	MALE
203		WHITE	MALE
204		UNKNOWN	MALE
205		UNKNOWN	MALE
206		UNKNOWN	MALE
207		UNKNOWN	MALE
208		BLACK	MALE
209		BLACK	MALE
210		BLACK	MALE
211		BLACK	MALE
212		BLACK	MALE
213		UNKNOWN	MALE
214		BLACK	MALE
215		BLACK	MALE
216		BLACK	MALE
217		BLACK	MALE
218		BLACK	MALE
219		BLACK	MALE
220		BLACK	MALE
221		BLACK	MALE
222		BLACK	MALE
223		BLACK	MALE
224		BLACK	MALE

**Attachment B  
Timeline**

<b>Activity</b>	<b>Days based upon January 1, 2021</b>	<b>Due Date</b>
<b>Crothall Mails Notice Documents (First Mailing)</b>	30	01/31/2021
<b>Deadline for Class Members to Return Notice Forms</b>	60	03/01/2021
<b>Crothall Notifies OFCCP of Undeliverable Mailings</b>	75	3/15/2021
<b>OFCCP Provides Updated Contact Information to Crothall</b>	90	03/31/2021
<b>Crothall Mails Notice Documents (Second Mailing)</b>	105	04/15/2021
<b>Deadline for Class Members to Return Second Notice Forms</b>	135	05/15/2021
<b>Crothall provides List of its Determination of Eligible Class Members</b>	150	06/01/2021
<b>OFCCP Reviews and Approves Final List and Distribution Amounts</b>	160	06/10/2021
<b>Crothall Mails Backpay Checks</b>	190	07/10/2021
<b>Crothall Notifies OFCCP of Any Checks Returned as Undeliverable</b>	220	08/10/2021
<b>OFCCP Provides Updated Addresses</b>	230	08/20/2021
<b>Crothall Mails Back Pay Checks to New Addresses</b>	245	09/05/2021
<b>Distribution of Remaining Funds to Eligible Class Members</b>	275	10/05/2021

## ATTACHMENT C

### RELEASE OF CLAIMS UNDER EXECUTIVE ORDER 11246, AS AMENDED

This Release of Claims (Release) under Executive Order 11246, as amended, is a legal document. This document states that in return for Crothall paying you money, you agree that you will not file any lawsuit against Crothall for allegedly violating Executive Order 11246, as amended, in connection with its selection procedures for applicants for Environmental Services positions. It also says that Crothall does not admit it violated any laws. This Release says you had sufficient time to look at the document, to talk with others about the document, including an attorney if you choose, and that no one pressured you into signing the document. Finally, it says that if you do not sign and return the document by a certain date, you will not receive any money.

In consideration of the payment of at least \$535.71 (less deductions required by law) by Crothall to me, which I agree is acceptable, I, (print name) \_\_\_\_\_, agree to the following:

#### I.

I hereby waive, release and forever discharge Crothall, its predecessors, successors, related entities, parents, subsidiaries, affiliates and organizations, and its and their shareholders, directors, officers, employees, agents, successors, and assigns, of and from any and all actions, causes of action, damages, liabilities, and claims arising out of or actionable under *Executive Order 11246*, as amended, which I or my representatives (heirs, executors, administrators, or assigns) have or may have had which relate to my nonselection for employment in an Environmental Services position on the basis of my gender at any time through the effective date of this Release. By signing this agreement, I agree that I have been made whole for any claim that could have been brought *Executive Order 11246*, as amended, relating to my nonselection with Crothall through the Effective Date of this Release.

#### II.

I understand that Crothall does not admit that it treated me unlawfully or unfairly in any way and that Crothall entered into a Conciliation Agreement with the U.S. Department of Labor, Office of Federal Contract Compliance Programs (OFCCP) and agreed to make the payment described above to resolve alleged disparities in hiring and to resolve the matter without further legal proceedings in the compliance review initiated by OFCCP on August 11, 2016. I further agree that the payment of the aforesaid sum by Crothall to me is not to be construed as an admission of any liability by Crothall.

#### III.

I declare that I have read this Release and that I have had a full opportunity to consider and understand its terms and to consult with my advisors and seek legal advice. I further declare that I have decided of my own free will to sign this Release.

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**IV.**

I understand that if I do not sign this Release and return it to the contact listed on the enclosed Notice to Affected Class Members, by the deadline listed on the Notice, I will not be entitled to receive any payment (less deductions required by law) from Crothall.

IN WITNESS WHEREOF, I have signed this document on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signature

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## ATTACHMENT C

### NOTICE TO CLASS

*You may be eligible to get money and a job because of a legal settlement between Crothall Healthcare Services and the U.S. Department of Labor*

We are writing to provide information about a legal settlement between the U.S. Department of Labor and Crothall Healthcare (Crothall) that may benefit you. This settlement involves claims of discrimination in hiring, and our records show that you may be one of the applicants covered by the settlement. If you take the steps described in this Notice by the deadline below, you may be eligible for a payment of back wages and/or a job with Crothall.

#### **ARE YOU AFFECTED?**

Males who applied and were not hired for Environmental Service positions at Crothall's Winston Salem, NC facility between April 1, 2015 and March 31, 2016, are covered by this settlement.

#### **WHAT IS THIS SETTLEMENT ABOUT?**

The U.S. Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) conducted a review of Crothall's hiring practices during April 1, 2015 and March 31, 2016. OFCCP is the government agency responsible for enforcing the nondiscrimination and equal employment opportunity through affirmative action requirements that apply to federal contractors. OFCCP issued a Notice of Violation alleging that Crothall discriminated against males in hiring for Environmental Service positions. Crothall denies those claims. Ultimately, OFCCP and Crothall have agreed to resolve the issue through a Conciliation Agreement. A Conciliation Agreement is a legal document that explains the terms of an agreement to settle a Notice of Violation issued by OFCCP.

As a result, Crothall has agreed to pay money to males who applied for Environmental Service positions at this location during the time period described above.

#### **WHAT DOES THIS MEAN FOR YOU?**

Because you applied for an Environmental Service position during the relevant time frame, and were not hired, this settlement may provide you with some specific benefits:

- (1) **You may be eligible to receive a payment of at least \$535.71** (before taxes). This amount represents your share of back wages and other payments Crothall is making to
-

settle the lawsuit. The final amount you will receive will be reduced by deductions for items such as income tax withholding and Social Security contributions.

- (2) **You may be eligible for a job offer.** Crothall will be making job offers for Environmental Service positions to some of the individuals receiving this notification. It is not guaranteed that you will receive a job offer. If you are interested in a job with Crothall, please express your interest on the enclosed Information Verification & Employment Interest Form.

To get these benefits, you will need to release or agree to give up certain legal claims, and sign the enclosed Release of Claims Form.

## WHAT IS YOUR NEXT STEP?

You should read this Notice and the enclosed Release of Claims Form.

Please do not ignore these forms or throw them away. Otherwise, you could miss an opportunity to receive money and a job with Crothall.

To be eligible for a payment and job, you must complete, sign, and return **both** the following enclosed forms, (1) the “Release of Claims Under Executive Order 11246, as Amended” and (2) the “Information Verification & Employment Interest Form” to:

Bhavin Patel, Senior Corporate Counsel  
Compass Group  
2400 Yorkmont Road  
Charlotte, NC 28217

**DEADLINE: The forms must be postmarked or delivered within 30 calendar days of receiving this document.**

You may receive some or all of these benefits only if these forms confirm that you are one of the individuals covered by the settlement. After correct completion and submission of these forms, a final decision will be made about your eligibility.

**If you fail to return both of the required forms by the deadline above, or if your forms do not verify your eligibility, you will not be eligible to receive any money, consideration for job opportunities or any other benefits that are available to you by the settlement.**

## HOW CAN YOU GET MORE INFORMATION?

If you have any questions, you may contact OFCCP Compliance Officer, (b) (6), (b) (7)(E) at (b) (6), (b) (7)(C) - (b) (6), (b) (7)(C) or via email at (b) (6), (b) (7)(C)@dol.gov. You can also visit the U.S. Department of Labor Web site about this case at [www.dol.gov/ofccp/cml](http://www.dol.gov/ofccp/cml).

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**ATTACHMENT C  
INFORMATION VERIFICATION & EMPLOYMENT INTEREST FORM**

**You must complete this form in order to be eligible for the monetary payment and/or employment opportunities under the terms of the Conciliation Agreement (“Agreement”) between Crothall and the United States Department of Labor’s Office of Federal Contract Compliance Programs. Please print legibly, except for the signature.**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Nos.: Home: \_\_\_\_\_ Cell: \_\_\_\_\_ Work: \_\_\_\_\_

Email: \_\_\_\_\_

Notify Crothall at the address below if your address, email address or phone number changes within the next twelve months.

Your Social Security Number (to be used for tax purposes only): \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Please indicate below whether you are currently interested in employment in an Environmental Services with Crothall. If you complete, sign, and return this Information Verification and Employment Interest Form, you remain eligible for the monetary payment whether or not you are interested in employment at this time.

Yes, I am still interested in employment with Crothall as an Environmental Services employee.

No, I am not currently interested in employment with Crothall as an Environmental Services employee.

**IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENTS TO THE ADDRESS BELOW BY *[date class members must respond]*, YOU WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT OR TO BE CONSIDERED FOR A JOB OFFER.**

*[Name]*  
*[Address]*

I, (print name) \_\_\_\_\_, certify the above is true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

---