

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
and
Rappahannock Goodwill Industries

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated the Rappahannock Goodwill Industries' establishment located at 4701 Market Street, Suite A, Fredericksburg, VA 22408, beginning on July 9, 2020. OFCCP found that Rappahannock Goodwill Industries failed to comply with Executive Order 11246, as amended (E.O. 11246 or the Executive Order), Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 (Section 503), 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. Parts 60-1, -2, -300, -741.

OFCCP notified Rappahannock Goodwill Industries of the specific violations and the corrective actions required in a Notice of Violation (NOV) issued on February 22, 2021.

In the interest of resolving the violations without engaging in further legal proceedings and in exchange for sufficient consideration described in this document, OFCCP and Rappahannock Goodwill Industries enter into this Conciliation Agreement (Agreement), and the parties agree to all the terms therein.

II. General Terms and Conditions

1. In exchange for Rappahannock Goodwill Industries' 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 violation(s) alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Rappahannock Goodwill Industries violates any provision of this Agreement, as set forth in Paragraph 10, below. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. OFCCP may review Rappahannock Goodwill Industries' compliance with this Agreement. As part of this review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. Rappahannock Goodwill Industries 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 OFCCP requests, including those specified in this Agreement.
3. Nothing in this Agreement relieves Rappahannock Goodwill Industries 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. Rappahannock Goodwill Industries agrees that it will 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.
5. The parties understand the terms of this Agreement and enter into it voluntarily.
6. This Agreement 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, OFCCP will work in good faith with all parties to make the corrections.
7. This Agreement becomes effective on the day it is signed by the Acting Assistant District Director (Effective Date).
8. If one or more provisions of this Agreement is deemed unlawful or unenforceable, the remaining provisions will remain in full force and effect.
9. This Agreement will expire sixty (60) days after Rappahannock Goodwill Industries submits its final progress report required in Section IV, below, unless OFCCP notifies Rappahannock Goodwill Industries in writing before the expiration date that Rappahannock Goodwill Industries 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 Rappahannock Goodwill Industries has met all of its obligations under the Agreement.
10. If Rappahannock Goodwill Industries violates this Agreement:
 - a. The procedures at 41 C.F.R. 60-1.34, 41 C.F.R. 60-300.63, and 41 C.F.R. 60-741.63 will govern:
 - i. OFCCP will send Rappahannock Goodwill Industries a written notice stating the alleged violation(s) and summarizing any supporting evidence.
 - ii. Rappahannock Goodwill Industries shall 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 Rappahannock Goodwill Industries is unable to demonstrate that it has not violated the Agreement, or if OFCCP alleges irreparable injury, enforcement proceedings may be initiated immediately without issuing a show cause notice or proceeding through any other requirement.
 - iv. In the event of a breach of this Agreement by the Rappahannock Goodwill Industries, 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 in the Agreement.

- b. Rappahannock Goodwill Industries may be subject to the sanctions set forth in Section 209 of the Executive Order, 41 C.F.R. 60-1.27, 41 C.F.R. 60-741.66 and 41 C.F.R. 60-300.66, and other appropriate relief for violating this Agreement.
11. Rappahannock Goodwill Industries does not admit any violation of the Executive Order, Section 503 or VEVRAA, nor has there been an adjudication on the merits regarding any such violation.
12. OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations resolved by this Agreement.
13. 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.
14. Each party shall bear its own fees and expenses with respect to this matter.
15. 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.
16. All references to “days” in this Agreement 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. Technical Violations and Remedies

1. **VIOLATION:** During the period January 1, 2019 through June 30, 2020, Rappahannock Goodwill Industries failed to keep and preserve complete and accurate personnel and employment records, in violation of 41 CFR 60-1.12(a) and (e); and maintain and/or have available records showing where possible, the gender, race, and ethnicity of each applicant or Internet Applicant as required by 41 CFR 60-1.12(c). Specifically, Rappahannock Goodwill Industries failed to keep applicant records for a period of not less than two years from the date of the making of the record or the personnel action, which ever occurred later.

REMEDY: Rappahannock Goodwill Industries will keep and preserve complete and accurate personnel and employment records, in accordance with 41 CFR 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 Rappahannock Goodwill Industries 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 CFR 60-1.12(a); and maintain and/or have available records showing where possible, the gender, race, and ethnicity of each applicant or Internet Applicant as defined in 41 CFR 60-1.3, as required by 41 CFR 60-1.12(c).

2. **VIOLATION:** During the period January 1, 2019 through June 30, 2020, Rappahannock Goodwill Industries 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 CFR 60-2.17(b). Specifically, Rappahannock Goodwill Industries failed to evaluate its personnel activity (applicant flow, hires, terminations, promotions, and other personnel actions) to determine whether there were selection disparities and failed to evaluate its selection, recruitment, referral, and other personnel procedures to determine whether they result in disparities in the employment or advancement of minorities or women.

REMEDY: Rappahannock Goodwill Industries will perform in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exists, as required by 41 CFR 60-2.17(b). Specifically, Rappahannock Goodwill Industries will evaluate its personnel activity (applicant flow, hires, terminations, promotions, and other personnel actions) to determine whether there were selection disparities and evaluate its selection, recruitment, referral, and other personnel procedures to determine whether they result in disparities in the employment or advancement of minorities or women.

3. **VIOLATION:** During the period January 1, 2019 through June 30, 2020, Rappahannock Goodwill Industries failed to develop and implement an internal audit and reporting system that periodically measures the effectiveness of its total affirmative action program, as required by 41 CFR 60-2.17(d). Specifically, Rappahannock Goodwill Industries failed to monitor its records of all personnel activity, including referrals, placements, transfers, promotions, terminations, and compensation, at all levels to ensure the nondiscriminatory policy is carried out.

REMEDY: Rappahannock Goodwill Industries will develop and implement an internal audit and reporting system that periodically measures the effectiveness of its total affirmative action program, as required by 41 CFR 60-2.17(d). Specifically, Rappahannock Goodwill Industries will monitor its records of all personnel activity, including referrals, placements, transfers, promotions, terminations, and compensation, at all levels to ensure the nondiscriminatory policy is carried out.

4. **VIOLATION:** Rappahannock Goodwill Industries' VEVRAA AAP failed to include all the required contents, as required by 41 CFR 60-300.44. Specifically, Rappahannock Goodwill Industries' AAP failed to include the data collection analysis element described in 41 CFR 60-300.44(k).

REMEDY: Rappahannock Goodwill Industries will include the data collection analysis element described in 41 CFR 60-300.44(k) in its VEVRAA AAP, as required by 41 CFR 60-300.44.

5. **VIOLATION:** During the period January 1, 2019 through June 30, 2020, Rappahannock Goodwill Industries failed to keep and preserve complete and accurate personnel and employment records, in violation of 41 CFR 60-300.80(a). Specifically, Rappahannock Goodwill Industries failed to keep applicant records.

REMEDY: Rappahannock Goodwill Industries will keep and preserve complete and accurate personnel and employment records, in accordance with 41 CFR 60-300.80(a), and will keep and preserve those records specified in 41 CFR 60-300.80(b) for a period of three years from the date of the making of the record.

6. **VIOLATION:** Rappahannock Goodwill Industries' Section 503 AAP failed to include all the required contents, as required by 41 CFR 60-741.44. Specifically, Rappahannock Goodwill Industries' s AAP failed to include the data collection analysis element described in 41 CFR 60-741.44(k).

REMEDY: Rappahannock Goodwill Industries will include the data collection analysis described in 41 CFR 60-741.44(k) in its Section 503 AAP, as required by 41 CFR 60-741.44.

7. **VIOLATION:** During the period January 1, 2019 through June 30, 2020, Rappahannock Goodwill Industries failed to keep and preserve complete and accurate personnel and employment records, in violation of 41 CFR 60-741.80. Specifically, Rappahannock Goodwill Industries failed to keep applicant records.

REMEDY: Rappahannock Goodwill Industries will keep and preserve complete and accurate personnel and employment records, in accordance with 41 CFR 60-741.80, and will keep and preserve those records specified in 41 CFR 60-741.80(b) for a period of three years from the date of the making of the record.

IV. OFCCP Monitoring Period

1. **Recordkeeping.** Rappahannock Goodwill Industries agrees to retain all records relevant to the violations cited in Section III above and the reports submitted in compliance with Paragraph 2, below. Specifically, the contractor must retain all applicant records. 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. Rappahannock Goodwill Industries will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.
2. **Contractor Reports.**

Rappahannock Goodwill Industries agrees to furnish OFCCP with the following reports during the Monitoring Period. Each report will contain the documentation specified according to the dates scheduled:

- a. Progress Report 1: Due on July 30, 2021, covering the period of January 1, 2021, through June 30, 2021.
 - i. For violation 1: Rappahannock Goodwill Industries' applicant flow log in, Microsoft Excel format, to include the applicant's name or applicant identification number, gender, race and/or ethnicity, method of application (e.g. hard copy application/resume, online, fax, etc.), date of application, position applied for by job group and job title, whether the applicant was interviewed, final disposition of the applicant, including the reason for non-selection, hire date, if applicable, and job title hired into, if applicable.
 - ii. For violation 2: Documentation of the results of Rappahannock Goodwill Industries' in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exist. At a minimum, this documentation will include:
 - Rappahannock Goodwill Industries' evaluation of its personnel activity (applicant flow and hires) to determine whether there are selection disparities, including all impact ratio analyses; and
 - Rappahannock Goodwill Industries' evaluation of its selection, recruitment, referral, and other personnel procedures to determine whether they result in disparities in the employment or advancement of minorities or women, including all impact ratio analyses by step in the selection process.
 - iii. For violation 3: Rappahannock Goodwill Industries' report on its internal audit and reporting system that measures the success of the effectiveness of its affirmative action program for women and minorities. The report will include the following:
 - The schedule of the internal reporting as to the degree to which equal employment opportunity and organizational objectives are attained;
 - The schedule, or dates, the report results were reviewed with all levels of management;
 - The schedule, or dates, top management was advised of the program effectiveness;
 - The recommendations to improve unsatisfactory performance, if applicable.

- iv. For violations 4 and 5: Documentation of the following computations or comparisons pertaining to applicants and hires, as required by 41 CFR 60-300.44(k):
 - The number of applicants who self-identified as protected veterans, or who are otherwise known to be protected veterans;
 - The total number of job openings and total number of jobs filled;
 - The total number of applicants for all jobs;
 - The number of protected veteran applicants hired; and
 - The total number of applicants hired.
- v. For violation 5 and 6: Documentation of the following computations or comparisons pertaining to applicants and hires, as required by 41 CFR 60-741.44(k):
 - The number of applicants who self-identified as individuals with disabilities, or who are otherwise known to be individuals with disabilities;
 - The total number of job openings and total number of jobs filled;
 - The total number of applicants for all jobs;
 - The number of individuals with disabilities hired; and
 - The total number of applicants hired.
- b. Progress Report 2: Due on January 31, 2022, covering the period of July 1, 2021, through December 31, 2021.
 - i. For violation 1: Rappahannock Goodwill Industries' applicant flow log in, Microsoft Excel format, to include the applicant's name or applicant identification number, gender, race and/or ethnicity, method of application (e.g. hard copy application/resume, online, fax, etc), date of application, position applied for by job group and job title, whether the applicant was interviewed, final disposition of the applicant, including the reason for non-selection, hire date, if applicable, and job title hired into, if applicable.
 - ii. For violation 2: Documentation of the results of Rappahannock's in-depth analyses of its total employment process to determine whether and where

impediments to equal employment opportunity exist. At a minimum, this documentation will include:

- Rappahannock Goodwill Industries' evaluation of its personnel activity (applicant flow and hires) to determine whether there are selection disparities, including all impact ratio analyses; and
 - Rappahannock Goodwill Industries' evaluation of its selection, recruitment, referral, and other personnel procedures to determine whether they result in disparities in the employment or advancement of minorities or women, including all impact ratio analyses by step in the selection process.
- iii. For violation 3: Rappahannock Goodwill Industries' report on its internal audit and reporting system that measures the success of the effectiveness of its affirmative action program for women and minorities. The report will include the following:
- The schedule of the internal reporting as to the degree to which equal employment opportunity and organizational objectives are attained;
 - The schedule, or dates, the report results were reviewed with all levels of management;
 - The schedule, or dates, top management was advised of the program effectiveness;
 - The recommendations to improve unsatisfactory performance, if applicable.
- iv. For violations 4 and 5: Documentation of the following computations or comparisons pertaining to applicants and hires, as required by 41 CFR 60-300.44(k):
- The number of applicants who self-identified as protected veterans, or who are otherwise known to be protected veterans;
 - The total number of job openings and total number of jobs filled;
 - The total number of applicants for all jobs;
 - The number of protected veteran applicants hired; and
 - The total number of applicants hired.

- v. For violation 5 and 6: Documentation of the following computations or comparisons pertaining to applicants and hires, as required by 41 CFR 60-741.44(k):
- The number of applicants who self-identified as individuals with disabilities, or who are otherwise known to be individuals with disabilities;
 - The total number of job openings and total number of jobs filled;
 - The total number of applicants for all jobs;
 - The number of individuals with disabilities hired; and
 - The total number of applicants hired.

Rappahannock Goodwill Industries will submit reports to Acting Assistant District Director Shanae Moody at (b) (6), (b) (7)(C)@dol.gov.

Rappahannock Goodwill Industries 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 Rappahannock Goodwill Industries provides in accordance with this Agreement are trade secrets, commercial, and/or financial in nature, and customarily kept private or closely-held, and the Rappahannock Goodwill Industries believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, Rappahannock Goodwill Industries will provide such reports to OFCCP marked as “Confidential”. In the event of a FOIA request, OFCCP will promptly notify Rappahannock Goodwill Industries of the FOIA request and provide Rappahannock Goodwill Industries an opportunity to object to disclosure. OFCCP will withhold disclosure of such reports to the maximum extent allowable by law.

3. **Close of Monitoring Period and Termination of Agreement.** This Agreement shall remain in effect until the monitoring period is completed. The monitoring period will close once OFCCP accepts Rappahannock Goodwill industries’ final progress report as set forth in Section II, Paragraph 9 above. If OFCCP fails to notify Rappahannock Goodwill Industries in writing within sixty (60) days of the date of the final progress report that Rappahannock Goodwill Industries 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 Rappahannock Goodwill Industries within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines Rappahannock Goodwill Industries has met all of its obligations under the Agreement.

V. SIGNATURES

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

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Rappahannock Goodwill Industries, 4701 Market Street, Suite A, Fredericksburg, VA 22408.

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

Steve Cox
Chief Executive Officer
Rappahannock Goodwill Industries
Fredericksburg, VA

DATE: 02/24/2021

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

Shanae Moody
Acting Assistant District Director
Mid-Atlantic Region

DATE: 2/26/2021

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

(b) (7)(C), (b) (7)(E)
Compliance Officer
Mid-Atlantic Region

DATE: _____