

# CONCILIATION AGREEMENT

Between

THE U. S. DEPARTMENT OF LABOR  
OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

And

METRO SOUTHERN CALIFORNIA BRANCH BANKING, CITIGROUP  
17400 BROOKHURST STREET  
FOUNTAIN VALLEY, CA 92708

## I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated the Metro Southern California Branch Banking, Citigroup Functional Affirmative Action Plan (FAAP) (Metro Southern) headquartered at 17400 Brookhurst Street, Fountain Valley, California 92708, beginning on April 3, 2018. OFCCP found that Metro Southern failed to comply with Executive Order 11246, as amended (E.O. 11246 or the Executive Order), and their respective implementing regulations at 41 C.F.R. Section(s) 60-1.

OFCCP notified Metro Southern of the specific violation(s) and the corrective action(s) required in a Notice of Violation (NOV) issued on June 10, 2021. On August 27, 2021, OFCCP rescinded violations #4, and #5 of the NOV and on October 5, 2021 OFCCP rescinded violation #2 of the NOV.

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

## II. General Terms and Conditions

1. In exchange for Metro Southern'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 violation(s) alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Metro Southern 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 Metro Southern'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. Contractor 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 Metro Southern 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. Metro Southern 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 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 Metro Southern submits its final progress report required in Section IV, below, unless OFCCP notifies Metro Southern in writing before the expiration date that Metro Southern 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 Metro Southern has met all of its obligations under the Agreement.
10. If Metro Southern violates this Agreement:
  - a. The procedures at 41 C.F.R. 60-1.34 will govern:
    - i. OFCCP will send Metro Southern a written notice stating the alleged violation(s) and summarizing any supporting evidence.
    - ii. The Metro Southern 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 Metro Southern 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 Metro Southern, 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. Metro Southern may be subject to the sanctions set forth in Section 209 of the Executive Order, 41 C.F.R. 60-1.27, and/or other appropriate relief for violating this Agreement.
- 11. Metro Southern 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 1:** OFCCP found that Metro Southern did not 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, during the periods of April 1, 2016 through March 31, 2017 and April 1, 2017 through March 31, 2018, OFCCP found that Metro Southern did not identify underutilization of African American applicants in Jr. Clerical job group roles or demonstrate sufficient good faith efforts to recruit and refer qualified African Americans for Jr. Clerical positions.

**Remedy 1:** Metro Southern 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). At a minimum, Metro Southern will evaluate:

- a. The workforce by organizational unit and job group to determine whether there are problems of utilization by race or ethnic groups;
  - b. Personnel activity (applicant flow, hires, terminations, promotions, and other personnel procedures) to determine whether there are selection disparities;
  - c. Compensation system(s) to determine whether there are gender-, race-, or ethnicity-based disparities;
  - d. Selection, recruitment, referral, and other personnel procedures to determine whether they result in disparities in the employment or advancement of specific race or ethnic groups; and
  - e. Any other areas that might impact the success of Metro Southern's functional affirmative action program.
2. **Violation 2:** Metro Southern failed to develop and execute action-oriented programs designed to correct any problem areas identified pursuant to 41 CFR 60-2.17(b) and to attain established goals and objectives, as required by 41 CFR 60-2.17(c). Specifically, during the periods of April 1, 2016 through March 31, 2017 and April 1, 2017 through March 31, 2018 Metro Southern provided insufficient evidence to demonstrate good faith efforts to develop and execute action-oriented programs to attract qualified African Americans for Jr. Clerical jobs.

**Remedy 2:** Metro Southern will develop and execute action-oriented programs designed to remove identified barriers, expand employment opportunities, and produce measurable results.

Metro Southern will:

- a. Contact the following agency and to solicit from them, on an ongoing basis, referrals of African American applicants for the purpose of seeking to overcome African American underutilization:

Los Angeles Urban League  
4401 Crenshaw Blvd., Suite 201  
Los Angeles, CA 90043  
(323) 299-9660  
Website: <https://lajobs.laul.org/>

- b. Ensure that it requests African American applicants from community-based organizations and recruitment sources within sufficient time prior to the closing date of each vacancy.

- c. If it becomes evident that the action-oriented programs outlined above are not effective in obtaining a significant number of qualified African American applicants and/or referral of qualified African American applicants to hiring managers, Metro Southern will develop new strategies to generate adequate pools of qualified African American candidates and ensure the pools of qualified African American candidates are referred to hiring managers as each hiring opportunity occurs.

#### IV. OFCCP Monitoring Period

1. **Recordkeeping.** Metro Southern agrees to retain all records relevant to the violation(s) cited in Section III 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. Metro Southern will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.
2. **Contractor Reports.**

Metro Southern (currently 3 FAAPs – Greater LA, Metro LA, and OC-San Diego-Inland Empire Area) 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 October 31, 2022 covering the period of October 1, 2021 through September 30, 2022.

Pursuant to Violation 1:

- i) Documentation that Metro Southern conducted an in-depth analysis of its total employment process.
- ii) Maintain records of all recruitment efforts, referrals, interviews, job offers, salary offers, rejections, and reasons for rejection of persons referred and/or interviewed for every job vacancy. Metro Southern will maintain each resume and/or application (for all applicants, including internal applicants) for a minimum of two years from the date of making the record or personnel action involved.

Pursuant to Violation 2:

- i) Documentation that Metro Southern has developed action-oriented programs designed to remove identified barriers and to expand employment opportunities for African-American applicants for Jr. Clerical positions. This documentation may include copies of letters, memos, records of phone calls to recruitment

sources, community organizations, the number of applicants referred from each linkage source, and final disposition of each referral for the period covered.

ii) A report on goal attainment and good faith efforts under the Executive Order 11246 AAP, including at least the following:

- a) Job group representation for Jr. Clerical (currently Clerical 03 and 04) at the start of the AAP year (i.e., total incumbents, by race and ethnicity);
- b) The percentage placement rates (percent goals) established by race and ethnicity at the start of the AAP year; and
- c) The actual number of placements (hires plus promotions) made during the AAP year into Jr. Clerical (currently Clerical 03 and 04) job group with goals (i.e., total placements, by race and ethnicity).
- d) For goals not attained, describe the specific good faith efforts made to remove identified barriers, expand equal employment opportunity, and produce measurable results.

iii) Metro Southern shall retain a copy of each application or resume it receives from all Jr. Clerical (currently Clerical 03 and 04) job group applicants. It shall also retain a copy of all interview notes (written and electronic), written tests, background checks, job offer letters, and all other selection process-related documentation, and be prepared to submit a copy of said documentation to OFCCP upon request.

b. Progress Report 2: Due on October 31, 2023 covering the period of October 1, 2022 through September 30, 2023.

Pursuant to Violation 1:

i) Documentation that Metro Southern conducted an in-depth analysis of its total employment process.

ii) Maintain records of all recruitment efforts, referrals, interviews, job offers, salary offers, rejections, and reasons for rejection of persons referred and/or interviewed for every job vacancy. Metro Southern will maintain each resume and/or application (for all applicants, including internal applicants) for a minimum of two years from the date of making the record or personnel action involved.

Pursuant to Violation 2:

i) Documentation that Metro Southern has developed action-oriented programs designed to remove identified barriers and to expand employment opportunities for African-American applicants for Jr. Clerical positions. This documentation may include copies of letters, memos, records of phone calls to recruitment sources, community organizations, the number of applicants referred from each linkage source, and final disposition of each referral for the period covered.

ii) A report on goal attainment and good faith efforts under the Executive Order 11246 AAP, including at least the following:

- a) Job group representation for Jr. Clerical (currently Clerical 03 and 04) at the start of the AAP year (i.e., total incumbents, by race and ethnicity);
- b) The percentage placement rates (percent goals) established by race and ethnicity at the start of the AAP year; and
- c) The actual number of placements (hires plus promotions) made during the AAP year into Jr. Clerical (currently Clerical 03 and 04) job group with goals (i.e., total placements, by race and ethnicity).
- d) For goals not attained, describe the specific good faith efforts made to remove identified barriers, expand equal employment opportunity, and produce measurable results.

iii) Metro Southern shall retain a copy of each application or resume it receives from all Jr. Clerical (currently Clerical 03 and 04) job group applicants. It shall also retain a copy of all interview notes (written and electronic), written tests, background checks, job offer letters, and all other selection process-related documentation, and be prepared to submit a copy of said documentation to OFCCP upon request.

Metro Southern will submit reports to (b) (7)(E), (b) (6) by email (b) (6), (b) (7)(C)@dol.gov). Metro Southern 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 Metro Southern provides in accordance with this Agreement are trade secrets, commercial, and/or financial in nature, and customarily kept private or closely-held, and the Metro Southern believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, Metro Southern will provide such reports to OFCCP marked as “Confidential”. In the event of a FOIA request, OFCCP will promptly notify Metro Southern of the FOIA request and provide Metro Southern 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 Metro Southern’s final progress report as set forth in Section II, Paragraph 9 above. If OFCCP fails to notify Metro Southern in writing within sixty (60) days of the date of the final progress report that Metro Southern 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 Metro Southern within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines Metro Southern has met all of its obligations under the Agreement.





**V. SIGNATURES**

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

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Metro Southern California Branch Banking, Citigroup, 17400 Brookhurst Street, Fountain Valley, CA 92708.

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

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Lisa G Deloney  
Managing Director  
Branch Sales Function Group Manager  
Fountain Valley CA

DATE: November 19, 2021

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

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Agnes Huang  
District Director  
Los Angeles District Office  
Pacific Region

DATE: November 22, 2021

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

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Hector M. Sanchez  
Area Director  
Orange Area Office  
Pacific Region

DATE: November 22, 2021

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

(b) (7)(E), (b) (6)

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Compliance Officer  
Orange Area Office  
Pacific Region

DATE: 11/22/2021