

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
And
KBR Services, LLC

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) initiated a complaint investigation of KBR Services, LLC's (KBR) establishment located at 5150 Carlisle Pike, Mechanicsburg, PA 17055, beginning on September 11, 2020. OFCCP found that KBR failed to comply with Executive Order 11246, as amended (E.O. 11246 or the Executive Order) and its respective implementing regulations at 41 C.F.R. Part 60-1.

OFCCP notified KBR of the specific violation and the corrective action required in a Notification of Results of Investigation issued on July 26, 2021 (NORI).

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 KBR enter into this Conciliation Agreement (Agreement), and the parties agree to all the terms therein.

II. General Terms and Conditions

1. In exchange for KBR's fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under E.O. 11246, Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 (Section 503), and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 (VEVRAA) based on the violations alleged in the NORI. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if KBR 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 KBR'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. KBR 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 KBR 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. KBR 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. KBR 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.
6. The parties understand the terms of this Agreement and enter into it voluntarily.
7. 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.
8. This Agreement becomes effective on the day it is signed by the Director of Regional Operations (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 KBR submits its final progress report required in Section V, below, unless OFCCP notifies KBR in writing before the expiration date that KBR 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 KBR has met all of its obligations under the Agreement.
11. If KBR violates this Agreement:
 - a. The procedures at 41 C.F.R. 60-1.34 will govern:
 - i. OFCCP will send KBR a written notice stating the alleged violations and summarizing any supporting evidence.
 - ii. KBR 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 KBR 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 KBR, 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. KBR 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.

12. KBR 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.
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 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. Discrimination Violation

VIOLATION: OFCCP found that KBR is not in compliance with the nondiscrimination requirements of the equal opportunity clause of E.O. 11246 section 202 and 41 CFR 60-1.4(a)(1). Specifically, KBR discriminated against Black employees on the basis of their race by subjecting them to racial harassment and a hostile work environment. KBR did not exercise reasonable care to prevent and correct any harassing or offensive behavior. KBR failed to take action to promptly correct or prevent the unlawful behavior. KBR does not admit that it was the employer of any of the employees who were the subject of OFCCP's investigation in this case.

IV. Modifications to Employment Practices and Other Non-Monetary Relief

1. **Workplace Environment.** KBR will:
 - a. Maintain a working environment free from harassment, intimidation, and coercion at all sites and facilities at which KBR employees are assigned to work.
 - b. Prominently display in its facilities the name, telephone number, and e-mail address of the official to contact to report and/or secure relief from such harassment.
 - c. Notify all employees at the Mechanicsburg establishment of KBR's non-tolerance of harassment, intimidation, coercion, retaliation, and discrimination in any form based on race, color, religion, sex, sexual orientation, gender identity, national origin, disability, veteran status, or engagement in any of the activities described in 41 C.F.R.

§ 60-1.32, and provide assurances that KBR will not retaliate against any employee for making a harassment claim.

- d. Distribute to all employees at the Mechanicsburg establishment a written notice summarizing KBR's commitment to equal employment opportunity and affirmative action and provide employees with information describing how to raise any issues, concerns, or complaints. The written notices shall be provided to incumbent employees within 30 days of the Effective Date of this Agreement.
- e. Continually monitor its work environment for the presence of any forms of harassment, intimidation, or coercion.
- f. Document the monitoring of its work environment for the presence of any forms of harassment, intimidation, coercion, or retaliation.
- g. Take appropriate action to ensure that no supervisors create a hostile work environment.

2. Company Policy and Procedure. KBR will:

- a. KBR will repost in prominent locations at its Mechanicsburg establishment its written policies designed to prevent harassment, intimidation, coercion, and discrimination at its facilities. As part of such policy, KBR shall ensure all Mechanicsburg employees are aware of the procedures through which complaints of harassment and discrimination may be lodged, and effectively investigated and remedied.
- b. KBR will repost in prominent locations at its Mechanicsburg establishment its internal complaint policy designed to encourage reporting of unlawful behavior.
- c. As long as KBR remains a federal contractor subject to E.O. 11246, KBR will annually prepare and update an Affirmative Action Plan (AAP) for its facility and retain all supporting documentation as required by E.O. 11246 and its implementing regulations.

3. Training. KBR will:

- a. Provide mandatory training (either in-person or virtually) in equal employment opportunity principles and in the identification and prevention of harassment based on race, color, religion, sex, sexual orientation, gender identity, national origin, disability, or veteran status, to KBR's managers and supervisors at the Mechanicsburg establishment, including any employees having any responsibility for hiring, assignment layoff, termination, or other employment decisions and separately to KBR's other employees at least once a year. This training will include but is not limited to providing information on how to raise issues or concerns and to file complaints.

- b. Provide mandatory training (either in-person or virtually) on the disability accommodation policy to all supervisors and all employees involved in the reasonable accommodation process.
- c. Provide informational training (either in-person or virtually) on its policies on equal employment opportunity rights and responsibilities, including the legal prohibitions against discrimination on the basis of race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status or any other protected category to all incumbent KBR employees at the Mechanicsburg establishment and to all new KBR employees at the Mechanicsburg establishment within 30 days of their hire.
- d. Ensure all employees responsible for receiving, handling, and/or investigating internal complaints at the Mechanicsburg establishment are trained in KBR's new complaint policies and procedures.
- e. Maintain and produce to OFCCP upon request sign-in sheets containing the printed name, signature, and job title of all employees who attend the trainings described above.

V. OFCCP Monitoring Period

1. **Recordkeeping.** KBR agrees to retain all records relevant to the violations 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. KBR will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.

2. **KBR Reports.**

- a. **Schedule and Instructions.** KBR agrees to furnish OFCCP with a progress report by October 1, 2022, covering the period from September 1, 2021, through August 31, 2022.

KBR will submit reports to Evan D. Szarenski at (b) (6), (b) (7)(C)@dol.gov. KBR 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 KBR provides in accordance with this agreement are customarily kept private or closely-held, and KBR believes should remain confidential under Exemption 4 of FOIA in the event of a FOIA request, KBR 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.

- b. **Affirmative Action Programs.** KBR will submit its current year AAP for E.O. 11246 with the Progress Report.


- c. **Reports on Modifications to Personnel Practices.** KBR will report on all modifications of personnel practices made to date pursuant to the Agreement and provide documentation of its compliance with the remedy provisions of this Agreement. If any of the relevant documents such as job postings or policies have not been modified since being provided during a prior reporting period, a statement to that effect is sufficient. The report must include:
- i. Evidence that KBR notified all employees of KBR's non-tolerance of harassment, intimidation, coercion and discrimination in any form based on race, color, religion, sex, sexual orientation, gender identity, national origin, disability, veteran status, or engagement in any of the activities described in 41 C.F.R. § 60-1.32., and will provide assurances that KBR will not retaliate against any employee for making a harassment claim;
 - ii. Photographic evidence documenting the prominent display of the name, telephone number, and email address of the official to contact to report and/or secure relief from such harassment;
 - iii. A copy of the written notice summarizing KBR's commitment to equal employment opportunity and affirmative action and information describing how to raise any issues, concerns, or complaints;
 - iv. A report on KBR's monitoring of its work environment for the presence of any forms of harassment, intimidation, or coercion and, where warranted, KBR's corrective action to include date(s) of the action;
 - v. Copies of all internal complaints filed since the signing of this Agreement alleging harassment, intimidation, coercion, or retaliation for a protected activity as well as documentation of KBR's investigation into and resolution of said complaints; and
 - vi. A detailed outline of the training provided to managers and employees in accordance with the training provisions of this Agreement, including the names and job titles of the persons conducting the training and attending the training, and copies of any materials provided to participants or used by trainers.
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 KBR's final progress report as set forth in Part II, Paragraph 10 above. If OFCCP fails to notify KBR in writing within sixty (60) days of the date of the final progress report that KBR 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 KBR within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines KBR has met all of its obligations under the Agreement.

VI. SIGNATURES

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

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and KBR Services, LLC., 5150 Carlisle Pike, Mechanicsburg, PA 17055.

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

Daniel Lenhoff 
Counsel, Government Solutions
KBR Services, LLC.

DATE: 9-15-2021

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

EVAN D. SZARENSKI
Director of Regional Operations
OFCCP, Mid-Atlantic Region

DATE: September 16, 2021