

Conciliation Agreement  
Between the  
U.S. Department of Labor Office of Federal Contract Compliance Programs  
and  
Gulf Island Services, LLC  
and  
Gulf Island, LLC

**I. Preliminary Statement**

The Office of Federal Contract Compliance Programs (OFCCP) evaluated the Gulf Island establishments located at 400 Thompson Road (Gulf Island Services, LLC) and 567 Thompson Road (Gulf Island, LLC) in Houma, Louisiana, beginning on April 29, 2020 and May 4, 2020, respectively. OFCCP found that Gulf Island failed to comply with Executive Order 11246, as amended (E.O. 11246 or the Executive Order) and their respective implementing regulations at 41 CFR 60-1.12(a) and (e) and 60-2.17(b)2.

OFCCP notified Gulf Island of the specific violation and the corrective action required in a Notice of Violations (NOV) issued on April 28, 2022.

In the interest of resolving the violation without engaging in further legal proceedings and in exchange for sufficient consideration described in this document, OFCCP and Gulf Island 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 Gulf Island's fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under E.O. 11246 based on the violation alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Gulf Island 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 Gulf Island'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. Gulf Island 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 Gulf Island 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. Gulf Island 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 Rachel M. Woods (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 Gulf Island submits its final progress report required in Section IV, below, unless OFCCP notifies Gulf Island in writing before the expiration date that Gulf Island 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 Gulf Island has met all of its obligations under the Agreement.
10. If Gulf Island violates this Agreement:
  - a. The procedures at 41 C.F.R. 60-1.34 will govern:
    - i. OFCCP will send Gulf Island a written notice stating the alleged violation and summarizing any supporting evidence.
    - ii. Gulf Island 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 Gulf Island 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 Gulf Island, 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. Gulf Island 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. Gulf Island 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 OFCCP.
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:** During the period May 1, 2019 through April 30, 2020, Gulf Island Services, LLC and Gulf Island, LLC failed to keep and preserve complete and accurate applicant tracking records that would identify which location an applicant applied to and considered, in violation of 41 CFR 60-1.12(a) and (e). Specifically, Gulf Island Services, LLC and Gulf Island, LLC failed to properly document and maintain application records for a period of not less than two years from the date of the making of the record or the personnel action regarding applicants’ positions at its locations.

**Remedy 1:** Gulf Island Services, LLC and Gulf Island, LLC agrees to 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.

2. **Violation 2:** OFCCP found that Gulf Island Services, LLC and Gulf Island, LLC failed to maintain and have available records or other information showing whether the total selection process has an adverse impact in accordance with 41 CFR 60-3.4 and 3.15(A)2. Specifically, OFCCP cannot reliably form applicant pools for either Gulf Island Services, LLC, or Gulf Island, LLC to conduct the required applicant and hire analysis.

**Remedy 2:** Gulf Island Services, LLC and Gulf Island, LLC agree to maintain records that will allow them to perform in-depth analyses of its total employment process in accordance with 41 CFR 60-3.4 and 3.15(A)2. Gulf Island must be able to distinguish which facility an application is made for, including if it is made for multiple facilities, and Gulf Island must be able to document and maintain this information along with the applicant's race, gender, application number (if applicable), date of application, position desired, position considered and position hired into, if applicable. Gulf Island agrees to conduct adverse impact analyses on at least an annual basis for purposes of determining whether adverse impact exists against applicants based on their race, gender or ethnic group in its hiring personnel activities. These analyses must be done by job group, separately by race, gender, and ethnic group and by each group that exceeds 2% of the labor force. If adverse impact is identified in the total selection process, Gulf Island agrees to evaluate each individual component of the selection process for adverse impact. If adverse impact is found to exist in any of the individual components of the selection process, Gulf Island agrees to cease using the procedure that is causing the adverse impact or validate the component in accordance with the Uniform Guidelines on Employee Selection Procedures.

#### **IV. OFCCP Monitoring Period**

1. **Recordkeeping.** Gulf Island 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. Gulf Island will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.
2. **Contractor Reports.**

Gulf Island 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 December 31, 2022 covering the period of May 1, 2022 through October 31, 2022.
  1. A log of applicants and hires by facility (Gulf Island Services, LLC, Gulf Island, LLC, and/or both) to include the facility applied to/considered for, applicant's race, gender, ethnicity, application number (if applicable), date of application, position applied for, position consider for, disposition and position hired into, if applicable.
  2. The number of job seekers by facility to include number by job title or position, date applied reason not considered an applicant, and if available race, gender, ethnicity.

3. For each job group, the results of Gulf Island's analysis by location as to whether its total selection process has an adverse impact as defined in 41 CFR 60-3.4D on those members of groups set forth in 41 CFR 60-3.4B.
  4. For each case where the total selection process has an adverse impact, as defined in 41 CFR 60-3.4D the results of Gulf Island's evaluation of the individual components of the selection process for adverse impact.
- b. Progress Report 2: Due on June 30, 2023 covering the period of November 1, 2022 through April 30, 2023.
1. A log of applicants and hires by facility (Gulf Island Services, LLC, Gulf Island, LLC, and/or both) to include the facility applied to / considered for, applicant's race, gender, ethnicity, application number (if applicable), date of application, position applied for, position considered for, disposition and position hired into, if applicable.
  2. The number of job seekers by facility to include number by job title or position, date applied, reason not considered an applicant, and if available race, gender, ethnicity.
  3. For each job group, the results of Gulf Island's analysis by location as to whether its total selection process has an adverse impact as defined in 41 CFR 60-3.4D on those members of groups set forth in 41 CFR 60-3.4B.
  4. For each case where the total selection process has an adverse impact, as defined in 41 CFR 60-3.4D the results of Gulf Island's evaluation of the individual components of the selection process for adverse impact.

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

## V. SIGNATURES

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

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Gulf Island Services, LLC located at 400 Thompson Road, Houma, Louisiana 70363, and Gulf Island, LLC located at 567 Thompson Road, Houma, Louisiana 70363.

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

Richard Heo  
President & CEO  
Gulf Island Fabrication, Inc.

DATE: May 3, 2022

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

**(b) (6), (b) (7)(C)**  
Compliance Officer  
Southwest and Rocky Mountain Region

DATE: 6/23/2022

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

Rachel M. Woods  
New Orleans District Director  
Southwest and Rocky Mountain Region

DATE: 6/23/2022