

Conciliation Agreement  
Between the  
U.S. Department of Labor Office of Federal Contract Compliance Programs  
and  
Avis Budget Group, Inc.

**I. Preliminary Statement**

The Office of Federal Contract Compliance Programs (OFCCP) evaluated the Avis Budget Group, Inc. establishment located at 3900 NW 25<sup>th</sup> Street, Miami, Florida, (ABG MIA) beginning on May 21, 2020. OFCCP found that ABG MIA failed to comply with Executive Order 11246, as amended (E.O. 11246 or the Executive Order) and its implementing regulations at 41 CFR Chapter 60.

OFCCP notified ABG MIA of the specific violation and the corrective actions required in a Notice of Violation (NOV) issued on August 19, 2022.

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

**II. General Terms and Conditions**

1. In exchange for ABG MIA'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 ABG MIA 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 ABG MIA'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. ABG MIA 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 ABG MIA 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. ABG MIA 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 ABG MIA submits its final progress report required in Section IV, below, unless OFCCP notifies ABG MIA in writing before the expiration date that ABG MIA 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 ABG MIA has met all of its obligations under the Agreement.
10. If ABG MIA violates this Agreement:
  - a. The procedures at 41 C.F.R. 60-1.34 will govern:
    - i. OFCCP will send ABG MIA a written notice stating the alleged violation(s) and summarizing any supporting evidence.
    - ii. The ABG MIA 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 ABG MIA 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 ABG MIA, 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. ABG MIA 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. ABG MIA 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**

**VIOLATION:** During the period July 1, 2018 through December 31, 2019, ABG MIA failed to perform in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exist, as required by 41 CFR 60-2.17(b). Specifically, ABG MIA failed to identify as a problem area incomplete and unreliable records of applicants and hires. This problem prevented ABG from completing accurate analyses of personnel activity to determine whether there are selection disparities, as required by 41 CFR 60-2.17(b)(2), 41 CFR 60-3.4, and 41 CFR 60-3.15A(2).

**REMEDY:** In April 2022, ABG MIA started using a new Human Resources Information System (HRIS) as part of its efforts to improve the accuracy of its applicant and hire recordkeeping and analysis. ABG MIA will perform in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exist, as required by 41 CFR 60-2.17(b). ABG MIA will collect, maintain, and have available for each job, accurate records or other information showing whether the total selection process for that job has an adverse impact. ABG MIA will maintain records concerning impact by sex and the race/ethnicity groups described at 41 CFR 60-3.4B or Form

EEO-1 categories, in accordance with identification of record regulations at 41 CFR 60-1.12(c). ABG MIA will make adverse impact determinations at least annually for each such group which constitutes at least 2 percent of the labor force in the relevant labor area or 2 percent of the applicable workforce. When the total selection process for a job has an adverse impact, ABG MIA will maintain and have available records or other information showing which components have an adverse impact, including one or more of the types of documentation of validity evidence identified in 41 CFR 60-3.15A(3)(a).

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

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

2. **ABG MIA Reports.**

a. ABG MIA agrees to furnish OFCCP with the following reports during the Monitoring Period.

Progress Report 1: Due on August 31, 2023 covering the period of July 1, 2022 through June 30, 2023.

Progress Report 2: Due on August 30, 2024 covering the period of July 1, 2023 through June 30, 2024.

b. Each report will contain the following documentation for the covered period:

1. Summary of all expressions of interest for all positions filled by hire during the covered period, including race/ethnicity, gender, job title, job group, Internet Applicant status (as defined at 41 CFR 60-1.3), offer and hire status. ABG MIA will provide applicant-specific data and copies of applications upon request.
2. Narrative description of ABG MIA's procedures for monitoring applicant and hire information for accuracy and selection disparities.
3. Copy of ABG MIA's Executive Order 11246 Affirmative Action Program's (AAP) Identification of Problem Areas and Action Oriented Programs for the current AAP update, including the results of ABG MIA's monitoring of applicant and hire information for accuracy and selection disparities and any corrective action planned or taken.

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



**V. SIGNATURES.**

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

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Avis Budget Group, Inc., 3900 NW 25th Street, Miami, Florida.

**Ex (6), Ex (7)(C)**

Sherry Knaszak  
Vice President HR Operations  
Avis Budget Group, Inc.  
6 Sylvan Way  
Parsippany, NJ

DATE: 8/24/22

**Ex (6), Ex (7)(C)**

E. Michelle Hernandez  
District Director  
Southeast Region  
OFCCP

DATE: 08/24/2022

**Ex (6), Ex (7)(C)**

Compliance Officer  
Southeast Region  
OFCCP

DATE: 08/24/2022