

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
and
SAP Concur

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated the SAP Concur (SAP) establishment located at 601 108th Avenue NE, Suite 1000, Bellevue, WA 98004 beginning on October 22, 2021. OFCCP found that SAP failed to comply with Executive Order 11246, as amended (E.O. 11246), and its respective implementing regulations at 41 CFR Chapter 60-1 and 2.

OFCCP notified SAP of the specific violations and the corrective actions required in a Notice of Violation (NOV) issued on November 7, 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 SAP 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 SAP'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 violations alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if SAP 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 SAP'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. SAP 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 SAP of its obligation to fully comply with the requirements of E.O. 11246, Section 503 of the Rehabilitation Act of 1973 (Section 503), Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA), their implementing regulations, or other applicable laws requiring nondiscrimination or equal employment opportunity through affirmative action.
4. SAP 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 SAP submits its final progress report required in Section IV, below, unless OFCCP notifies SAP in writing before the expiration date that SAP 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 SAP has met all of its obligations under the Agreement.
10. If SAP violates this Agreement:
 - a. The procedures at 41 C.F.R. 60-1.34 will govern:
 - i. OFCCP will send SAP a written notice stating the alleged violation(s) and summarizing any supporting evidence.
 - ii. SAP 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 SAP 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 SAP, 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. SAP may be subject to the sanctions set forth in Section 209 of the Executive Order, or 41 C.F.R. 60-1.27, and/or other appropriate relief for violating this Agreement.
11. SAP 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, 2020, through December 31, 2020, SAP failed to adequately keep and preserve complete and accurate personnel and employment records, in violation of 41 CFR 60-1.12(a) and (e). Specifically, SAP failed to completely track and account for all employees by race and by gender in Job Group 5 Finance and Job Group 5 Interns for terminations.

REMEDY: SAP 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 SAP 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); maintain and/or have available records showing the gender, race, and ethnicity of each employee.

2. **VIOLATION:** During the period January 1, 2020, through December 31, 2020, SAP failed to adequately 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). As a result, potential problem areas were not identified for Job Group 5 Finance and Job Group 5 Interns for terminations, as all employees were not completely tracked and accounted for.

REMEDY: SAP will perform in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exists for Job Group 5 Finance and Job Group 5 Interns, as required by 41 CFR 60-2.17(b).

- 3. VIOLATION:** During the period January 1, 2020, through December 31, 2020, SAP failed to adequately 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, SAP failed to accurately address potential problem areas for Job Group 5 Finance and Job Group 5 Interns, as they failed to account for all employees in these two job groups.

REMEDY: SAP will 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, SAP will ensure that the action-oriented programs consist of more than following the same procedures which have previously produced inadequate results. SAP will demonstrate that it has made good faith efforts to remove identified barriers, expand employment opportunities, and produce measurable results.

IV. OFCCP Monitoring Period

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

- 2. SAP Report.**

SAP agrees to furnish OFCCP with the following report during the Monitoring Period. The report will contain the documentation specified according to the dates scheduled:

Progress Report: Due on February 1, 2024, covering the period of March 1, 2023, through December 31, 2023.

Pursuant to Remedy 1, 2 and 3:

- a. For Job Group 5 Finance and Job Group 5 Interns; reporting period, provide the total number of terminations and termination pool incumbents and the breakdown by race, gender, ethnic group as required by 41 CFR 60-3.4.

b. The results of the complete in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exists for Job Group 5 Finance and Job Group 5 Interns where you identified any problem areas pursuant to 41 CFR 60-2.17(b). For any identified problem areas, please provide documentation that you made good faith efforts to remove identified barriers, expand employment opportunities, and produce measurable results. Include all assessments and reports on the effectiveness of action-oriented programs.

SAP will submit the report to Quanda Evans, Assistant District Director, 300 Fifth Avenue, Suite 1100, Seattle, WA 98104, (b) (7)(C), (b) (6)@dol.gov. SAP 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 SAP provides in accordance with this Agreement are trade secrets, commercial, and/or financial in nature, and customarily kept private or closely-held, and the SAP believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, SAP will provide such reports to OFCCP marked as "Confidential". In the event of a FOIA request, OFCCP will promptly notify SAP of the FOIA request and provide SAP 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 SAP's final progress report as set forth in Section II, Paragraph 9 above. If OFCCP fails to notify SAP in writing within sixty (60) days of the date of the final progress report that SAP 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 SAP within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines SAP has met all of its obligations under the Agreement.

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V. SIGNATURES

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

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and SAP Concur, 601 108th Avenue NE, Suite 1000, Bellevue, WA 98004.

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

Muhammad Alam
President
SAP Concur
Bellevue, WA 98004

DATE: February 27, 2023

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

Leigh D. Jones
District Director
Office of Federal Contract Compliance Programs
Seattle and Portland Offices

DATE: _____

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

Quanda Evans
Assistant District Director
Office of Federal Contract Compliance Programs
Seattle Office

DATE: _____