

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

**I. Preliminary Statement**

The Office of Federal Contract Compliance Programs (OFCCP) evaluated Teichert Construction (Teichert), 3500 American River Drive, Sacramento California, beginning on October 17, 2022. OFCCP found that Contractor failed to comply with Executive Order 11246, as amended (E.O. 11246 or the Executive Order), Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 (Section 503), and the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 (VEVRAA) and their respective implementing regulations at 41 C.F.R. Chapter 60.

OFCCP notified Teichert of the specific violations and the corrective actions required in a Notice of Violation (NOV) issued on March 27, 2023.

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 Teichert 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 Teichert'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 Teichert 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 Teichert'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. Teichert 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 Teichert 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. Teichert 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 Teichert submits its final progress report required in Section IV, below, unless OFCCP notifies Teichert in writing before the expiration date that Teichert 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 Teichert has met all of its obligations under the Agreement.
10. If Teichert violates this Agreement:
  - a. The procedures at 41 C.F.R. 60-1.34, 41 C.F.R. 60-300.63, and/or 41 C.F.R. 60-741.63 will govern:
    - i. OFCCP will send Teichert a written notice stating the alleged violation(s) and summarizing any supporting evidence.
    - ii. The Teichert 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 Teichert 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 Teichert, 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. Teichert may be subject to the sanctions set forth in Section 209 of the Executive Order, 41 C.F.R. 60-1.27, 41 C.F.R. 60-741.66, or 41 C.F.R. 60-300.66, and/or other appropriate relief for violating this Agreement.
- 11. Teichert 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 May 25, 2021 through May 24, 2022, Teichert failed to physically include the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" and the "Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity" containing the applicable goals for minority and female participation in its construction subcontracts in excess of \$10,000, as required by 41 CFR 60-4.3(a)(2).

**REMEDY:** Teichert will physically include the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" and the "Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity"

containing the applicable goals for minority and female participation in its construction subcontracts in excess of \$10,000, as required by 41 CFR 60-4.3(a)(2).

2. **VIOLATION:** Teichert failed to ensure its personnel processes provide for careful, thorough, and systemic consideration of job qualifications of applicants and employees with known disabilities for job vacancies filled by hiring or promotion, and for all training opportunities offered or available, as required by 41 CFR 60-741.44(b).

**REMEDY:** Teichert will include the review of personnel process element described in 41 CFR 60-741.44(b) in its Section 503 Affirmative Action Program (AAP), as required by 41 CFR 60-741.44.

3. **VIOLATION:** Teichert failed to provide a schedule for the review of all physical and mental job qualifications standards to ensure that, to the extent qualification standards tend to screen out qualified individuals with disabilities, they are job-related for the position in question and are consistent with business necessity, as required by 41 CFR 60-741.44(c)(1).

**REMEDY:** Teichert will review of all physical and mental job qualifications standards to ensure that, to the extent qualification standards tend to screen out qualified individuals with disabilities, they are job-related for the position in question and are consistent with business necessity, as required by 41 CFR 60-741.44(c)(1).

4. **VIOLATION:** Teichert failed to review the outreach and recruitment efforts it has taken over the previous twelve months to evaluate the effectiveness in identifying qualified individuals with disabilities, as required in 41 CFR 60-741.44(f)(3).

**REMEDY:** Teichert will document each evaluation, including at a minimum the criteria it used to evaluate the effectiveness of each effort and the contractor's conclusion as to whether each effort was effective. In addition, Teichert will assess the totality of its efforts and identify and implement alternative efforts when outreach and recruitment efforts were not effective, as required in 41 CFR 60-741.44(f)(3).

5. **VIOLATION:** Teichert Section 503 AAP failed to include all the required contents, as required by 41 CFR 60-741.44. Specifically, Teichert's AAP failed to include the data collection analysis element described in 41 CFR 60-741.44(k).

**REMEDY:** Teichert will include the data collection analysis described in 41 CFR 60-741.44(k) in its Section 503 AAP, as required by 41 CFR 60-741.44.

6. **VIOLATION:** Teichert failed to ensure its personnel processes provide for careful, thorough, and systemic consideration of job qualifications of applicants and employees who are known protected veterans for job vacancies filled by hiring or promotion, and for all training opportunities offered or available, as required by 41 CFR 60-300.44(b).

**REMEDY:** Teichert will include the review of personnel process element described in 41 CFR 60-300.44(b) in its VEVRAA AAP, as required by 41 CFR 60-300.44.

7. **VIOLATION:** Teichert failed to provide a schedule for the review of all physical and mental job qualifications standards to ensure that, to the extent qualification standards tend to screen out qualified disabled veterans, they are job-related for the position in question and are consistent with business necessity, as required by 41 CFR 60-300.44(c)(1).

**REMEDY:** Teichert will include in its VEVRAA AAP a schedule for the review of all physical and mental job qualifications standards to ensure that, to the extent qualification standards tend to screen out qualified disabled veterans, they are job-related for the position in question and are consistent with business necessity, as required by 41 CFR 60-300.44(c)(1).

8. **VIOLATION:** Teichert failed to review the outreach and recruitment efforts it has taken over the previous twelve months to evaluate the effectiveness in identifying qualified protected veterans, as required by 41 CFR 60-300.44(f)(3).

**REMEDY:** Teichert will document each evaluation, including at a minimum the criteria it used to evaluate the effectiveness of each effort and the contractor's conclusion as to whether each effort was effective. In addition, Teichert will assess the totality of its efforts and identify and implement alternative efforts when outreach and recruitment efforts were not effective, as required by 41 CFR 60-300.44.

9. **VIOLATION:** Teichert's VEVRAA AAP failed to include all the required contents, as required by 41 CFR 60-300.44. Specifically, Teichert's AAP failed to include the data collection analysis element described in 41 CFR 60-300.44(k).

**REMEDY:** Teichert will include the data collection analysis element described in 41

CFR 60-300.44(k) in its VEVRAA AAP, as required by 41 CFR 60-300.44.

10. **VIOLATION:** During the period May 25, 2021 through May 24, 2022, Teichert failed to establish a hiring benchmark to measure its progress toward achieving equal employment opportunity for protected veterans, in violation of 41 CFR 60-300.45. Specifically, Teichert failed to provide evidence of compliance, as required in 41 CFR 60-300.45(c)].

**REMEDY:** Teichert will establish a hiring benchmark for each of its establishments, on an annual basis, using one of the two methods prescribed in 41 CFR 60-300.45(b). Teichert must document its hiring benchmark, and, if Teichert sets its benchmark using the five-factor approach described in 41 CFR 60-300.45(b)(2), it will also document each factor that it considered in establishing its benchmark and the relative significance it accorded to each one. Teichert must retain these records for three years, as required by 41 CFR 60-300.45(c).

#### IV. OFCCP Monitoring Period

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

2. **Contractor Reports.**

Teichert 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 April 30, 2024 covering the period of April 1, 2023 through March 31, 2024.

Documentation of:

- i. Construction contracts for Federal and Federally Assisted Contracts in excess of \$10,000;
- ii. A review of its personnel processes, in accordance with 41 CFR 60-741.44(b);

- iii. A review of all physical and mental qualifications, in accordance with 41 CFR 60-741.44(c)(1);
  - iv. An assessment of each outreach effort made in order to recruit qualified individuals with disabilities;
  - v. An assessment of the totality of outreach effort toward qualified individuals with disabilities and alternative efforts made when outreach and recruitment efforts were not effective;
  - vi. Section 503 data collection analysis;
  - vii. A review of its personnel processes, in accordance with 41 CFR 60-300.44(b);
  - viii. A review of all physical and mental qualifications, in accordance with 41 CFR 60-300.44(c)(1);
  - ix. An assessment of each outreach effort made in order to recruit qualified protected veterans;
  - x. An assessment of the totality of outreach effort toward qualified individuals with disabilities and alternative efforts made when outreach and recruitment efforts were not effective;
  - xi. VEVRAA data collection analysis; and
  - xii. VEVRAA hiring benchmark.
- b. Progress Report 2: Due on April 30, 2025 covering the period of April 1, 2024 through March 31, 2025.

Documentation of:

- i. A review of its personnel processes, in accordance with 41 CFR 60-741.44(b);
- ii. A review of all physical and mental qualifications, in accordance with 41 CFR 60-741.44(c)(1);
- iii. An assessment of each outreach effort made in order to recruit qualified individuals with disabilities;
- iv. An assessment of the totality of outreach effort toward qualified individuals with disabilities and alternative efforts made when outreach and recruitment efforts were not effective;

- v. Section 503 data collection analysis;
- vi. A review of its personnel processes, in accordance with 41 CFR 60-300.44(b);
- vii. A review of all physical and mental qualifications, in accordance with 41 CFR 60-300.44(c)(1);
- viii. An assessment of each outreach effort made in order to recruit qualified protected veterans;
- ix. An assessment of the totality of outreach effort toward qualified individuals with disabilities and alternative efforts made when outreach and recruitment efforts were not effective;
- x. VEVRAA data collection analysis; and
- xi. VEVRAA hiring benchmark.

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

**V. SIGNATURES**

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

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Teichert Construction, 3500 American River Drive, Sacramento, California, 95864.

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

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NOREEN ENGELHARDT  
HR MANAGER  
Teichert Construction  
3500 American River Drive  
Sacramento, CA 95864

DATE: 4/12/2023

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

MARVIN R. JORDAN  
Director  
Phoenix District Office  
Pacific Region

DATE: \_\_\_\_\_