Conciliation Agreement Between the U.S. Department of Labor Office of Federal Contract Compliance Programs and Technology Services Corporation

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated the Technology Services Corporation-Alabama Operations (Contractor) located at 310 Voyager Way NW, Huntsville, AL 35806, beginning on February 16, 2023. OFCCP found that Contractor failed to comply with Executive Order 11246, and its respective implementing regulations at 41 CFR Chapter 60: Executive Order 11246, as amended.

OFCCP notified Contractor of the specific violation(s) and the corrective action(s) required in a Notice of Violation (NOV) issued on May 23, 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 Contractor 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 Contractor'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 violation(s) alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Contractor 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 Contractor'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. Contractor 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 Contractor 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. Contractor 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.
- 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 Contractor submits its final progress report required in Section IV, below, unless OFCCP notifies Contractor in writing before the expiration date that Contractor 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 Contractor has met all of its obligations under the Agreement.
- 10. If Contractor violates this Agreement:
 - a. The procedures at 41 C.F.R. 60-1.34 will govern:
 - i. OFCCP will send Contractor a written notice stating the alleged violation(s) and summarizing any supporting evidence.
 - ii. The Contractor 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 Contractor 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 Contractor, 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. Contractor 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. Contractor 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 October 1, 2021 through September 30, 2022, Contractor failed to keep and preserve complete and accurate personnel and employment records, in violation of 41 CFR 60-1.12(a) and (e). Specifically, Contractor failed to keep general personnel or employment records; failed to keep the records for a period of not less than one year from the date of the making of the record or the personnel action, which ever occurred later.

REMEDY: Contractor 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 Contractor 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).

2. VIOLATION: During the period October 1, 2021 through September 30, 2022, Contractor failed to maintain and/or have available records showing the gender, race, and ethnicity of each employee; and where possible, the gender, race, and ethnicity of each applicant or Internet Applicant as defined in 41 CFR 60-1.3, as required by 41 CFR 60-1.12(c).

REMEDY: Contractor will maintain and/or have available records showing the gender, race, and ethnicity of each employee; and where possible, the gender, race, and ethnicity of each applicant or Internet Applicant as defined in 41 CFR 60-1.3, as required by 41 CFR 60-1.12(c).

3. VIOLATION: During the period October 1, 2021 through September 30, 2022, Contractor failed to perform an in-depth analysis of its total employment process to determine whether and where impediments to equal employment opportunity exists and, where necessary to develop and execute action-oriented programs to correct those identified impediments, as required by 41 CFR 60-2.17(b). Specifically, Contractor failed to analyze and evaluate its hiring activity to determine whether there were disparities based on gender, race, or ethnicity.

REMEDY: Contractor will immediately begin to perform an in-depth analysis 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). Contractor will incorporate these analyses and action-oriented programs in its current AAP demonstrate that contractor has made good faith efforts to remove identified barriers, expand employment opportunities and produce measurable results.

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. Specifically, the contractor must retain accurate personnel and employment records. 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.

Contractor 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 30, 2023 covering the period of June 1, 2023 through November 30, 2023.
- b. Progress Report 2: Due on June 30, 2024 covering the period of December 1, 2023 through May 31, 2024.

Progress Reports 1 will include the following:

a) All expressions of interest, whether paper or electronic, seeking employment during the applicable progress reporting period (electronically in MS Excel if

possible). This list will include but not be limited to the following:

Name, Race/Ethnicity, Gender, Date candidate expressed interest in employment, Job title candidate expressed interest in, Date of hire, Job title at hire and Date of interview, if applicable. If not hired, detailed reason for rejection.

b) Evidence that training on the selection and placement process provided to Contractor's management and that such training addressed compliance with Executive Order 11246, as amended, as well as its implementing regulations. This report will include the date and location of the training, the names and positions of the managers and hiring officials who attended the training, the names and positions of the trainers, copies of all training materials disseminated to the attendees and any applicable cost associated with training.

Progress Report 2 will include the following:

a) All expressions of interest, whether paper or electronic, seeking employment during the applicable progress reporting period (electronically in MS Excel if possible). This list will include but not be limited to the following:

Name, Race/Ethnicity, Gender, Date candidate expressed interest in employment, Job title candidate expressed interest in, Date of hire, Job title at hire and Date of interview, if applicable. If not hired, detailed reason for rejection.

b) Adverse impact analyses by job group with the requirements of 41 CFR 60-3.4 and 3.15. If contractor finds statistically significant disparities, contractor will investigate the cause of the disparities and take appropriate action, such as providing refresher training or making additional changes to the hiring process. Contractor will implement remedies to correct any statistically significant disparities in hiring and report to OFCCP on actions taken.

Contractor will submit reports to Compliance Officer (b) (6), (b) (7)(C) 100 West Capitol Street McCoy Federal Building, Suite 762, Jackson, MS 39269-1607 at (b) (6), (b) (7)(C) @dol.gov. Contractor 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 Contractor provides in accordance with this Agreement are trade secrets, commercial, and/or financial in nature, and customarily kept private or closely-held, and the Contractor believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, Contractor will provide such reports to OFCCP marked as "Confidential". In the event of a FOIA request, OFCCP will promptly notify Contractor 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.

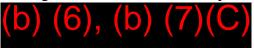
3. Close of Monitoring Period and Termination of Agreement. This Agreement shall remain in effect until the monitoring period is completed. The monitoring period will close once OFCCP accepts Contractor's final progress report as set forth in Section II, Paragraph 9 above. If OFCCP fails to notify Contractor in writing

within sixty (60) days of the date of the final progress report that Contractor 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 Contractor within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines Contractor has met all of its obligations under the Agreement.

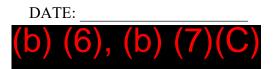
V. SIGNATURES

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

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and TSC Alabama Operations, 310 Voyager Way NW, Huntsville, AL 35806.



Brandon Wolfson President and CEO TSC Alabama Operations



Christopher Williams District Director- Birmingham Southeast Region

DATE: 06/02/2023



DATE: _06-02-2023____