

U.S. Department of Labor

Office of Federal Contract Compliance Programs
Northeast - New York
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Conciliation Agreement

Between the

U.S. Department of Labor Office of Federal Contract Compliance Programs
and

Cesar Castillo, LLC
1 KM 21.1 PR-1
Guaynabo, Puerto Rico 00971
OFCCP No. R00304713

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated the compliance of Cesar Castillo, LLC's (hereinafter Cesar Castillo) establishment located at 1 KM 21.1 PR-1, Guaynabo, Puerto Rico, beginning on January 20, 2022. OFCCP found that Cesar Castillo 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/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 (VEVRAA) and their respective implementing regulations at 41 CFR Chapter 60.

OFCCP notified Cesar Castillo of the specific violations and the corrective actions required in a Notice of Violation (NOV) issued on May 16, 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 Cesar Castillo 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 Cesar Castillo'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 Cesar Castillo 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 Cesar Castillo'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. Cesar Castillo 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 Cesar Castillo 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. Cesar Castillo 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, Rubayyi Salaam.
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 Cesar Castillo submits its final progress report required in Section IV, below, unless OFCCP notifies Cesar Castillo in writing before the expiration date that Cesar Castillo 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 Cesar Castillo has met all of its obligations under the Agreement.
10. If Cesar Castillo violates this Agreement:
 - a. The procedures 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 Cesar Castillo a written notice stating the alleged violation(s) and summarizing any supporting evidence.
 - ii. Cesar Castillo 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 Cesar Castillo 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 Cesar Castillo, 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. Cesar Castillo 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. Cesar Castillo 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:** Cesar Castillo's VEVRAA AAP failed to include all the required contents, as required by 41 CFR 60-300.44. Specifically, Cesar Castillo's AAP failed to include the external EEO policy dissemination, outreach and positive recruitment element described in 41 CFR 60-300.44(f).

REMEDY: Cesar Castillo will include the internal EEO policy dissemination, outreach and positive recruitment element described in 41 CFR 60-300.44(f) in its VEVRAA AAP, as required by 41 CFR 60-300.44.

2. **VIOLATION:** Cesar Castillo's Section 503 AAP failed to include all the required contents, as required by 41 CFR 60-741.44. Specifically, Cesar Castillo's AAP failed to include the external EEO policy dissemination, outreach, and positive recruitment element described in 41 CFR 60-741.44(f).

REMEDY: Cesar Castillo will include the internal EEO policy dissemination, outreach, and positive recruitment element described in 41 CFR 60-741.44(f) in its Section 503 AAP, as required by 41 CFR 60-741.44.

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

REMEDY: Cesar Castillo 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.

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

REMEDY: Cesar Castillo 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.

5. **VIOLATION:** During the period January 21, 2020 through January 20, 2022, Cesar Castillo failed to evaluate its utilization of individuals with disabilities using the goal established by OFCCP, in violation of 41 CFR 60-741.45. Specifically, Cesar Castillo conducted no utilization analysis of individuals with disabilities using the goal established by OFCCP.

REMEDY: Cesar Castillo must annually evaluate its utilization of individuals with disabilities using the 7 percent goal established by OFCCP, as required by 41 CFR 60-741.45. When conducting this utilization analysis, Cesar Castillo must use the job groups established for utilization analyses required by Executive Order 11246, as required by 41 CFR 60-741.45(d)(2). However, if Cesar Castillo has a total workforce of 100 or fewer employees, it may, instead, choose to measure the representation of individuals with disabilities in its workforce as a whole, using the 7 percent goal established by OFCCP, as permitted by 41 CFR 60-741.45(d)(2)(i). Should the percentage of individuals with disabilities in one or more job groups or in Cesar Castillo's workforce be less than the utilization goal, Cesar Castillo will take steps, as required by 41 CFR 60-741.45(e), to determine whether and where impediments to equal employment exist, and will develop

and execute action-oriented programs to correct any identified problems, as required by 41 CFR 60-741.45(f).

6. **VIOLATION:** During the period January 21, 2020 through January 20, 2022, Cesar Castillo 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, Cesar Castillo failed to provide evidence of compliance; failed to use one of the methods prescribed in the regulations; and failed to maintain benchmark records for three years, as required in 41 CFR 60-300.45(c).

REMEDY: Cesar Castillo 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). Cesar Castillo will document its hiring benchmark, and, if Cesar Castillo sets its benchmark using the five-factor approach described in 41 CFR 60-300.45(b)(2), it must also document each factor that it considered in establishing its benchmark and the relative significance it accorded to each one. Cesar Castillo will retain these records for three years, as required by 41 CFR 60-300.45(c).

7. **VIOLATION:** During the period January 21, 2020 through January 20, 2022, Cesar Castillo failed to maintain its current AAP and documentation of its good faith effort, as required by 41 CFR 60-1.12(b); and to preserve its AAP and documentation of good faith effort for the immediately preceding AAP year, as required by 41 CFR 60-1.12(b). Specifically, Cesar Castillo failed to document and provide outreach to enhance its representation of females in underutilized job groups during the evaluation period.

REMEDY: Cesar Castillo will maintain its current AAP and documentation of its good faith efforts, as required by 41 CFR 60-1.12(b); preserve its AAP and documentation of good faith effort for the immediately preceding AAP year, as required by 41 CFR 60-1.12(b).

8. **VIOLATION:** During the period January 21, 2020 through January 20, 2022, Cesar Castillo failed to annually review the effectiveness of the outreach and recruitment efforts it took over the previous twelve months to identify and recruit qualified protected veterans, as required by 41 CFR 60-300.44(f)(3).

REMEDY: Cesar Castillo will annually review its outreach and recruitment activities, assess their effectiveness, and document this review, in accordance with 41 CFR 60-300.44(f)(3). If Cesar Castillo concludes that the totality of its efforts were not effective in identifying and recruiting qualified protected veterans, it will identify and implement

alternative efforts listed in 41 CFR 60-300.44(f)(1) or (f)(2).

9. **VIOLATION:** During the period January 21, 2020 through January 20, 2022, Cesar Castillo failed to annually review the effectiveness of the outreach and recruitment efforts it took over the previous twelve months to identify and recruit qualified individuals with disabilities as required by 41 CFR 60-741.44(f)(3).

REMEDY: Cesar Castillo will annually review its outreach and recruitment activities, assess their effectiveness, and document this review, in accordance with 41 CFR 60-741.44(f)(3). If Cesar Castillo concludes that the totality of its efforts were not effective in identifying and recruiting qualified individuals with disabilities, it will identify and implement alternative efforts listed in 41 CFR 60-741.44(f)(1) or (f)(2).

10. **VIOLATION:** During the period January 21, 2020 through January 20, 2022, Cesar Castillo failed to immediately list all employment openings with either the state workforce agency job bank or a local employment service delivery system serving the location where the openings occurred in violation of 41 CFR 60-300.5(a)2-6.

REMEDY: Cesar Castillo will list all employment openings as they occur with an appropriate employment service delivery system (ESDS) (either the state workforce agency job bank or a local ESDS) where the openings occur, in a manner and format that will allow the ESDS to provide priority referrals of protected veterans to Cesar Castillo, as required by 41 CFR 60-300.5(a)2-6. With its initial listing, and as subsequently needed to update the information, Cesar Castillo will also advise the employment service delivery system that it is a federal contractor that desires priority referrals of protected veterans for job openings at all locations within the state, and provide the employment service delivery system with the name and address of each of its hiring locations within the state and the contact information for the contractor official responsible for hiring at each location, in accordance with 41 CFR 60-300.5(a)4. Should any of the information in the disclosures change since it was last reported to the ESDS, Cesar Castillo will provide updated information simultaneously with its next job listing.

IV. OFCCP Monitoring Period

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

2. **Contractor Reports.**

Cesar Castillo 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 July 30, 2024, covering the period of January 1, 2024, through June 30, 2024.
- b. Progress Report 2: Due on January 30, 2025 covering the period of August 1, 2024, through December 31, 2024.

Pursuant to Violation #1: Cesar Castillo will provide the OFCCP with documentary evidence that it included the internal EEO policy dissemination, outreach and positive recruitment element described in 41 CFR 60-300.44(f) in its VEVRAA AAP, as required by 41 CFR 60-300.44.

Pursuant to Violation #2: Cesar Castillo will provide the OFCCP with documentary evidence that it included the internal EEO policy dissemination, outreach, and positive recruitment element described in 41 CFR 60-741.44(f) in its Section 503 AAP, as required by 41 CFR 60-741.44.

Pursuant to Violation #3: Cesar Castillo will provide the OFCCP with documentary evidence that it included 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.

Pursuant to Violation #4: Cesar Castillo will provide the OFCCP with documentary evidence that it included 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.

Pursuant to Violation #5: Cesar Castillo will provide the OFCCP with documentary evidence that it annually evaluated its utilization of individuals with disabilities using the 7 percent goal established by OFCCP, as required by 41 CFR 60-741.45. When conducting this utilization analysis, Cesar Castillo will use the job groups established for utilization analyses required by Executive Order 11246, as required by 41 CFR 60-741.45(d)(2). However, if Cesar Castillo has a total workforce of 100 or fewer employees, it may, instead, choose to measure the representation of individuals with disabilities in its workforce as a whole, using the 7 percent goal established by OFCCP, as permitted by 41 CFR 60-741.45(d)(2)(i). Should the percentage of individuals with disabilities in one or more job groups or in Cesar Castillo's workforce be less than the utilization goal, Cesar Castillo will take steps, as required by 41 CFR 60-741.45(e), to determine whether and where impediments to equal

employment exist, and will develop and execute action-oriented programs to correct any identified problems, as required by 41 CFR 60-741.45(f).

Pursuant to Violation #6: Cesar Castillo will provide the OFCCP with documentary evidence that it has established 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). Cesar Castillo will document its hiring benchmark, and, if Cesar Castillo 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. Cesar Castillo will retain these records for three years, as required by 41 CFR 60-300.45(c).

Pursuant to Violation #7: Cesar Castillo will provide the OFCCP with documentary evidence that it has maintained its current AAP and documentation of its good faith efforts, as required by 41 CFR 60-1.12(b); preserve its AAP and documentation of good faith effort for the immediately preceding AAP year, as required by 41 CFR 60-1.12(b).

Pursuant to Violation #8: Cesar Castillo will provide the OFCCP with documentary evidence that it has annually reviewed its outreach and recruitment activities, assessed their effectiveness, and documented this review, in accordance with 41 CFR 60-300.44(f)(3). If Cesar Castillo concludes that the totality of its efforts were not effective in identifying and recruiting qualified protected veterans, it will identify and implement alternative efforts listed in 41 CFR 60-300.44(f)(1) or (f)(2).

Pursuant to Violation #9: Cesar Castillo will provide the OFCCP with documentary evidence that it annually reviewed its outreach and recruitment activities, assessed their effectiveness, and documented this review, in accordance with 41 CFR 60-741.44(f)(3). If Cesar Castillo concludes that the totality of its efforts were not effective in identifying and recruiting qualified individuals with disabilities, it will identify and implement alternative efforts listed in 41 CFR 60-741.44(f)(1) or (f)(2).

Pursuant to Violation #10: Cesar Castillo will provide the OFCCP with documentary evidence that it listed all employment openings as they occurred with an appropriate employment service delivery system (ESDS) (either the state workforce agency job bank or a local ESDS) where the openings occur, in a manner and format that will allow the ESDS to provide priority referrals of protected veterans to Cesar Castillo, as required by 41 CFR 60-300.5(a)2-6. With its initial listing, and as subsequently needed to update the information, Cesar Castillo will also advise the employment service delivery system that it is a federal contractor that desires priority

referrals of protected veterans for job openings at all locations within the state, and provide the employment service delivery system with the name and address of each of its hiring locations within the state and the contact information for the contractor official responsible for hiring at each location, in accordance with 41 CFR 60-300.5(a)4. Should any of the information in the disclosures change since it was last reported to the ESDS, Cesar Castillo will provide updated information simultaneously with its next job listing.

Cesar Castillo will submit reports to Compliance Officer (b) (6), (b) (7)(C) OFCCP, 26 Federal Plaza, Room 36-116, New York, NY 10278 and/or email (b) (6), (b) (7)(C)@dol.gov. Cesar Castillo 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 Cesar Castillo 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.

- (b) (6), (b) (7)(C)
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 Cesar Castillo's final progress report as set forth in Section 2 above. If OFCCP fails to notify Cesar Castillo in writing within sixty (60) days of the date of the final progress report that Cesar Castillo 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 Cesar Castillo within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines Cesar Castillo has met all of its obligations under the Agreement.

V. SIGNATURES

The person signing this Agreement on behalf of Cesar Castillo 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 Cesar Castillo.

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Cesar Castillo, LLC, 1 KM 21.1 PR-1, Guaynabo, Puerto Rico 00971.

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

Maria Luisa Castillo, HR Director
Cesar Castillo, LLC
San Juan, Puerto Rico

DATE: 13 June 2023

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

New York District Office & Caribbean Field Station
OFCCP

DATE: June 13, 2022

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

Adam Harris, Assistant District Director
OFCCP, Northeast Region

DATE: June 13, 2023

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

OFCCP, Northeast Region

DATE: June 13, 2023