

Conciliation Agreement
Between the

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

and

AVMAC LLC
AKA Aviation Management Analytical Consultants

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated the AVMAC LLC (“Contractor”) establishment located at VMFAT-101 MCAS Miramar; P.O. Box 45202, San Diego, CA 92145, beginning on April 19, 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/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 C.F.R. §§ 60-1, 60-300 and 60-741.

OFCCP notified Contractor of the specific violation(s) and the corrective action(s) required in a Notice of Violation (NOV) issued on June 9, 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. (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 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, 41 C.F.R. 60-300.63, and/or 41 C.F.R. 60-741.63 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, 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. 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:** AVMAC LLC failed to determine minority and female availability in accordance with 41 CFR 60-2.14. Specifically, AVMAC LLC failed to consider at least the following factors when determining availability: the percentage of minorities or women with requisite skills in the reasonable recruitment area; the percentage of minorities or women among those promotable, transferable, and trainable within AVMAC LLC's workforce and provide a brief explanation of the rationale for selection of that pool. The company further failed to calculate a composite availability figure for each job group composed of job titles with different availability figures.

REMEDY: AVMAC LLC shall determine minority and female availability in accordance with 60-2.14. Specifically, AVMAC LLC shall consider at least the following factors when determining availability: the percentage of minorities or women with requisite skills in the reasonable recruitment area; the percentage of minorities or women among those promotable, transferable, and trainable within AVMAC LLC's workforce with a brief explanation of the rationale for selection of that pool. Further, the company will calculate a composite availability figure for each job group composed of job titles with different availability figures.

2. **VIOLATION:** AVMAC LLC failed to establish minority and/or female placement goals, as required by 41 CFR 60-2.16. Specifically, AVMAC LLC failed to establish a percentage annual placement goal at least equal to the availability figure derived for women in the Technicians and Administrative job groups, as required by 41 CFR 60-2.16(c).

REMEDY: AVMAC LLC shall establish and include in the AAP minority and female placement goals, as required by 41 CFR 60-2.10(b)(1)(vi) and 60-2.16.

3. **VIOLATION:** AVMAC LLC failed to file a complete and accurate Standard Form 100 (EEO-1 Report), as required by 41 CFR 60-1.7(a)(1). Specifically, the data provided in the EEO 1 reports did not accurately reconcile with personnel activity reports provided.

REMEDY: AVMAC LLC shall annually file, on or before September 30th, a complete and accurate EEO-1 Report, as required by 41 CFR 60-1.7(a)(1).

4. **VIOLATION:** During the period January 1, 2021 through December 31, 2021, AVMAC LLC failed to keep and preserve complete and accurate personnel and employment records, in violation of 41 CFR 60-1.12(a) and (e). Specifically, summary employment records provided by AVMAC LLC did not reconcile with the workforce reported in the EEO 1 Reports of the same time period.

REMEDY: AVMAC LLC shall 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 AVMAC LLC 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).

5. **VIOLATION:** During the period January 1, 2021 through December 31, 2021, AVMAC LLC 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.

REMEDY: AVMAC LLC shall 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). AVMAC LLC must document its hiring benchmark, and, if AVMAC LLC 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. AVMAC LLC must retain these records for three years, as required by 41 CFR 60-300.45(c).

6. **VIOLATION:** During the period January 1, 2021 through December 31, 2021, AVMAC LLC 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: AVMAC LLC shall 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 AVMAC LLC concludes that the totality of its efforts were not effective in identifying and recruiting qualified protected veterans, it shall identify and implement alternative efforts listed in 41 CFR 60-300.44(f)(1) or (f)(2).

7. **VIOLATION:** During the period January 1, 2021 through December 31, 2021, AVMAC LLC 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: AVMAC LLC shall 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 AVMAC LLC concludes that the totality of its efforts were not effective in identifying and recruiting qualified individuals with disabilities, it shall identify and implement alternative efforts listed in 41 CFR 60-741.44(f)(1) or (f)(2).

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.**

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:

Progress Report 1 shall contain elements 2-5 of the required reports below, and be due on **February 1, 2024**, covering the period of **July 1, 2023 to December 31, 2023**.

Progress Report 2 shall contain all elements of the required reports below and be due on **February 1, 2025**, covering the period of **January 1, 2024 to December 31, 2024**.

- 1) A copy of the following sections of company's affirmative action plan.
 - a. EEO-1 Report
 - b. Availability Analysis
 - c. Goals Analysis
 - d. Goals Progress Analysis
 - e. Good Faith Efforts Analysis
 - f. Assessment of Veteran and Individuals with Disabilities (IWD) outreach and recruitment

- 2) For the annual period corresponding to the AAP year's internal auditing and problem identification requirements, per reporting period, an electronic Excel applicant flow log, including all expressions of interest. The log should include columns for:
 - a. Name
 - b. Race
 - c. Gender
 - d. Veteran Status
 - e. IWD Status
 - f. Date of application
 - g. Requisition
 - h. Title applied for
 - i. Job Group applied for
 - j. Referral Source
 - k. Disposition, including if hired

- 3) For the annual period corresponding to the AAP year's internal auditing and problem identification requirements ,per reporting period, an electronic Excel hire log, including columns for:
 - a. Name
 - b. Race
 - c. Gender
 - d. Employee ID
 - e. Date of Hire
 - f. Title Hired for
 - g. Job Group Hired for

- 4) For the annual period corresponding to the AAP year's internal auditing and problem identification requirements , per reporting period, an electronic Excel Promotion log, including columns for:
 - a. Name
 - b. Race
 - c. Gender
 - d. Employee ID
 - e. Date of Promotion
 - f. Title From
 - g. Job Group From
 - h. Title To
 - i. Job Group To
 - j. Job Group Hired for

5) For the annual period corresponding to the AAP year's internal auditing and problem identification requirements , per reporting period, an electronic Excel Termination log, including columns for:

- a. Name
- b. Race
- c. Gender
- d. Employee ID
- e. Date of Termination
- f. Title
- g. Job Group
- h. Voluntary/Involuntary
- i. Termination Reason

Contractor will submit reports to:

Engie Mota
District Director
San Diego District Office
550 West C Street, Suite 990
San Diego, CA 92101
(b) (7)(C), (b) (6)@dol.gov

Megan Gutierrez
Assistant District Director
San Diego District Office
550 West C Street, Suite 990
San Diego, CA 92101
(b) (7)(C), (b) (6)@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 AVMAC LLC establishment located at VMFAT-101 MCAS Miramar; P.O. Box 45202, San Diego, CA 92145.

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

ROBERTO ORTIZ
President and CEO
AVMAC LLC
Chesapeake, VA

DATE: 6/20/23

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

ENGIE MOTA
District Director
San Diego District Office
Pacific Region

DATE: 6/20/23

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

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

San Diego District Office
Pacific Region

DATE: 6/20/23