

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
and
AB Staffing Solutions LLC

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated AB Staffing Solutions LLC, located at 3451 S Mercy Road, Suite 102, Gilbert, AZ 85297, beginning on March 3, 2023. OFCCP found that AB Staffing Solutions LLC 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.

OFCCP notified AB Staffing Solutions LLC of the specific violations and the corrective actions required in a Notice of Violation (NOV) issued on September 6, 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 AB Staffing Solutions LLC 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 AB Staffing Solutions LLC'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 VEVRAA based on the violations alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if AB Staffing Solutions LLC 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 AB Staffing Solutions LLC'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. AB Staffing Solutions LLC 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 AB Staffing Solutions LLC 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. AB Staffing Solutions LLC 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 it voluntarily.
6. This Agreement constitutes the entire Agreement and represents the complete and final understanding of the parties. This Agreement contains all 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 AB Staffing Solutions LLC submits its final progress report required in Section IV, below, unless OFCCP notifies AB Staffing Solutions LLC in writing before the expiration date that AB Staffing Solutions LLC has failed to fulfill all its obligations under the Agreement. In this instance, the Agreement is automatically extended until the date that OFCCP determines that AB Staffing Solutions LLC has met all its obligations under the Agreement.
10. If AB Staffing Solutions LLC violates this Agreement:
 - a. The procedures at 41 C.F.R. 60-1.34, 41 C.F.R. 60-300.63, and 41 C.F.R. 60-741.63 will govern:
 - i. OFCCP will send AB Staffing Solutions LLC a written notice stating the alleged violation(s) and summarizing any supporting evidence.
 - ii. AB Staffing Solutions LLC 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 AB Staffing Solutions LLC 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 AB Staffing Solutions LLC, 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. AB Staffing Solutions LLC 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. AB Staffing Solutions LLC 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

E.O. 11246

- 1. **VIOLATION:** During the period January 01, 2022 through December 31, 2022, AB Staffing Solutions LLC 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: AB Staffing Solutions LLC 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)

- 2. **VIOLATION:** During the period January 01, 2022, through December 31, 2022, AB Staffing Solutions LLC failed to 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). Specifically, AB Staffing Solutions LLC failed to conduct a thorough and complete in-depth analysis of its hiring

activity due to the lack of inviting all applicants to self-identify their race and gender during the review period.

REMEDY: AB Staffing Solutions LLC will perform in-depth analysis of its total employment process to determine whether and where impediments to equal opportunity exists, as required by 41 CFR 60-2.17(b). Specifically, AB Staffing Solutions LLC will complete a thorough and in-depth analysis of its hiring activity by inviting all applicants to self-identify their race and gender and determine whether there are selection disparities.

VEVRAA

3. **VIOLATION:** During the period January 01, 2022, through December 31, 2022, AB Staffing Solutions LLC failed to invite applicants to inform it whether the applicant believes they are a veteran protected by VEVRAA in violation of 41 CFR 60-300.42.

REMEDY: AB Staffing Solutions LLC will invite applicants to inform it whether the applicant believes that they are a veteran protected by VEVRAA, as required by 41 CFR 60-300.42. More specifically, AB Staffing Solutions LLC will invite applicants for employment, prior to an offer of employment, to voluntarily identify as a protected veteran. Additionally, AB Staffing Solutions LLC shall invite applicants for employment, after an offer of employment but before applicants begin their job duties, to voluntarily inform it whether the applicant believes that they are a protected veteran. AB Staffing Solutions LLC may invite the applicant to also indicate if they belong to one or more of the specific categories of protected veterans, as defined by 41 CFR 60-300.2(q). All invitations to self-identify as a protected veteran must comply with the requirements of 41 CFR 60-300.42(c). AB Staffing Solutions LLC will keep all self-identification information confidential and maintain it in a separate data analysis file, rather than in its personnel or medical files, in accordance with 41 CFR 60-300.42(e).

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

REMEDY: AB Staffing Solutions LLC 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.

5. **VIOLATION:** During the period January 01, 2022, through December 31, 2022, AB Staffing Solutions LLC failed to undertake appropriate outreach and positive recruitment activities that were reasonably designed to effectively recruit qualified protected veterans, document these activities, assess their effectiveness, and document its review, in violation of 41 CFR 60-300.44(f).

REMEDY: AB Staffing Solutions LLC will undertake appropriate external outreach and positive recruitment activities that are reasonably designed to effectively recruit

qualified protected veterans, document these activities, assess their effectiveness, and document its review, as required by 41 CFR 60–300.44(f).

SECTION 503

6. **VIOLATION:** During the period January 01, 2022, through December 31, 2022, AB Staffing Solutions LLC failed to invite its applicants for employment, prior to an offer of employment, to voluntarily self-identify as an individual with a disability, using the OMB-approved form for this purpose, in violation of 41 CFR 60–741.42(a).

REMEDY: AB Staffing Solutions LLC will invite each of its applicants for employment, prior to an offer of employment, to voluntarily inform it whether the applicant believes that they are an individual with a disability, as that term is defined in 41 CFR 60–741.2(g)(1)(i) or (ii). All invitations to self-identify will be made using the OMB-approved form for this purpose (available on the OFCCP website). Furthermore, AB Staffing Solutions LLC will keep all self-identification information confidential and maintain it in a separate data analysis file, rather than in its personnel or medical files, in accordance with 41 CFR 60–741.42(e).

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

REMEDY: AB Staffing Solutions LLC 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.

8. **VIOLATION:** During the period January 01, 2022, through December 31, 2022, AB Staffing Solutions LLC failed to undertake appropriate outreach and positive recruitment activities that were reasonably designed to effectively recruit qualified individuals with disabilities, document these activities, assess their effectiveness, and document its review, in violation of 41 CFR 60–741.44(f).

REMEDY: AB Staffing Solutions LLC will undertake appropriate outreach and positive recruitment activities that are reasonably designed to effectively recruit qualified individuals with disabilities, document these activities, assess their effectiveness, and document its review, as required by 41 CFR 60–741.44(f).

IV. OFCCP Monitoring Period

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

2. AB Staffing Solutions LLC Reports.

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

- a. Progress Report 1: Due on February 1, 2025, covering the period of January 1, 2024, through December 31, 2024.
 1. Documentation of any record AB Staffing Solutions LLC maintains pursuant to 41 CFR 60-1.1(c). AB Staffing Solutions LLC must be able to identify the gender, race, and ethnicity of each employee and applicant or Internet Applicant as defined in 41 CFR 60.13. For each job group or job title, the analysis must consist of the total number of applicants, identified by gender and by race/ethnicity. If the gender and/or race are unknown, then that information should also be included in the data submitted. This also applies to the total number of hires.
 2. Documentation of the results of the complete in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exists where AB Staffing Solutions LLC identified any problem areas pursuant to 41 CFR 60.2.17(b). For any identified problem areas, please provide documentation that AB Staffing Solutions LLC 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.
 3. Documentation that AB Staffing Solutions LLC has invited all applicants to voluntarily identify as a protected veteran, at both the pre-offer and post-offer stages.
 4. VEVRAA data collection analysis, including:
 - Total number of applicants for all jobs.
 - Total number of applicants hired.
 - Number of applicants who self-identified as protected veterans or are otherwise known as protected veterans.
 - Number of protected veteran applicants hired.
 - Total number of job openings and total number of jobs filled.
 5. Documentation of each outreach and recruitment activity designed to effectively recruit qualified veterans, including the name of the activity, the date of the activity, the name and the job titles of employees involved

in the activity, and the goal and results of each activity. The assessment of each outreach and recruitment activity for veterans, the criteria used to assess each activity and AB Staffing Solutions LLC's assessment of the totality of all its activities. If AB Staffing Solutions LLC concludes that the totality of its efforts were not effective in identifying and recruiting veterans, it shall identify and report what alternative efforts were made.

6. Documentation that AB Staffing Solutions LLC has invited all applicants to voluntarily identify as an individual with disability using the OMB-approved form.
7. Section 503 data collection analysis, including:
 - Total number of applicants for all jobs.
 - Total number of applicants hired.
 - Number of applicants who self-identified as individuals with disabilities or are otherwise known to be individuals with disabilities.
 - Number of applicants with disabilities hired.
 - Total number of job openings and total number of jobs filled.
8. Documentation of each outreach and recruitment activity designed to effectively recruit qualified individuals with disabilities, including the name of the activity, the date of the activity, the name and the job titles of employees involved in the activity, and the goal and results of each activity. The assessment of each outreach and recruitment activity for individuals with disability, the criteria used to assess each activity and AB Staffing Solutions LLC's assessment of the totality of all its activities. If AB Staffing Solutions LLC concludes that the totality of its efforts were not effective in identifying and recruiting individuals with disability, it shall identify and report what alternative efforts were made.

AB Staffing Solutions LLC will submit reports to Agnes Huang, District Director via email at (b) (7)(C), (b) (6)@dol.gov with a copy to Compliance Officer (b) (7)(C), (b) (6) at (b) (7)(C), (b) (6)@dol.gov. AB Staffing Solutions LLC 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 AB Staffing Solutions LLC provides in accordance with this Agreement are trade secrets, commercial, and/or financial in nature, and customarily kept private or closely-held, and AB Staffing Solutions LLC believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, AB Staffing Solutions LLC will provide such reports to OFCCP marked as "Confidential". In the event of a FOIA request, OFCCP will promptly notify AB Staffing Solutions LLC of the FOIA request and provide AB

Staffing Solutions LLC 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 AB Staffing Solutions LLC's final progress report as set forth in Section II, Paragraph 9 above. If OFCCP fails to notify AB Staffing Solutions LLC in writing within sixty (60) days of the date of the final progress report that AB Staffing Solutions LLC has not fulfilled all 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 AB Staffing Solutions LLC within the allotted time that it has not fulfilled all its obligations, this Agreement is automatically extended until the date that OFCCP determines AB Staffing Solutions LLC has met all its obligations under the Agreement.

V. SIGNATURES

The person signing this Agreement on behalf of AB Staffing Solutions LLC personally warrants that they are fully authorized to do so, that AB Staffing Solutions LLC has entered into this Agreement voluntarily and with full knowledge of its effect, and that execution of this Agreement is fully binding on AB Staffing Solutions LLC.

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and AB Staffing Solutions LLC, 3451 S Mercy Road, Suite 102, Gilbert, AZ 85297.

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

EVAN BURKS

CEO

AB Staffing Solutions LLC

Gilbert, AZ

DATE: 9/26/23

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

AGNES HUANG

Acting Phoenix District Director
Pacific Region

DATE: September 26, 2023