

## CONCILIATION AGREEMENT

Between

THE U.S. DEPARTMENT OF LABOR  
OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

and

SAIC – Customer Group Staff  
12010 Sunset Hills Rd.  
Reston, VA 20190

### **PART I. PRELIMINARY STATEMENT**

The Office of Federal Contract Compliance Programs (“OFCCP”) evaluated SAIC—Customer Group Staff’s (“SAIC”) functional affirmative action program and found that SAIC was not in compliance with Executive Order 11246, as amended (“E.O. 11246”), and its implementing regulations at 41 C.F.R. Parts 60-1, 60-2, and 60-3. OFCCP notified SAIC of the specific violations found and the corrective actions required in a Notice of Violation issued on August 23, 2017. In the interest of resolving the violations without engaging in further legal proceedings and in exchange for the good and valuable consideration described in this document, OFCCP and SAIC enter this contract (“Conciliation Agreement” or “Agreement”) and agree to all the terms stated below.

### **PART II. GENERAL TERMS AND CONDITIONS**

1. In exchange for SAIC’s fulfillment of all obligations in Parts III and IV of this Agreement, OFCCP agrees not to institute administrative or judicial enforcement proceedings under E.O. 11246 based on the alleged violations described in more detail in Part III below. However, OFCCP has the right to initiate legal proceedings to enforce the Agreement itself or to correct and obtain relief for the violations described in Part III if SAIC violates this Agreement. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. SAIC agrees that OFCCP may review its compliance with this Agreement. As part of such review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. SAIC will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all reports and documents requested.
3. SAIC understands that nothing in this Agreement relieves SAIC of its obligation to fully comply with the requirements of E.O. 11246, Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 (“Section 503”), the Vietnam Era Veterans’ Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 (“VEVRAA”), their implementing regulations, and other applicable equal employment laws.

4. SAIC promises not to harass, intimidate, threaten, discriminate, or otherwise retaliate against any individual because the individual: benefits from this Agreement, files a complaint or participates in any investigation or proceeding under E.O. 11246, Section 503, and/or VEVRAA, or engages in any activity listed at 41 C.F.R. § 60-1.32(a).
5. The parties understand the terms of this Agreement and enter into it voluntarily.
6. This document and its attachments contain the complete and final understanding of the parties with respect to the matters referenced herein. This Agreement contains all terms by which the parties are bound and it supersedes all prior written or oral negotiations and agreements. There will be no modifications or amendments to this Agreement unless they are in writing, signed by all parties.
7. If one or more provisions of this Agreement are rendered unlawful or unenforceable, the remaining provisions will remain in full force and effect.
8. This Agreement becomes effective on the day it is signed by the Regional Director of the Mid-Atlantic Region (the "Effective Date") unless the Director of OFCCP indicates otherwise within 45 calendar days of the date the Regional Director signs the Agreement.
9. This Agreement will expire sixty (60) days after SAIC submits the final progress report required in Part IV, below, unless OFCCP notifies SAIC in writing prior to the expiration date that SAIC has not fulfilled all of its obligations under the Agreement, in which case the Agreement is automatically extended until the date that OFCCP determines SAIC has met all of its obligations under the Agreement.
10. If SAIC violates this Conciliation Agreement,
  - A. The procedures set forth at 41 C.F.R. § 60-1.34 will govern:
    - 1) If OFCCP believes that SAIC violated any term of the Agreement while it was in effect, OFCCP will send SAIC a written notice stating the alleged violations and summarizing any supporting evidence.
    - 2) SAIC will have 15 days from receipt of such notice to demonstrate in writing that it has not violated the Conciliation Agreement, unless such a delay would result in irreparable injury to the employment rights of affected employees or applicants.
    - 3) If SAIC 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.
    - 4) OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations resolved by this Agreement.

B. SAIC may be subject to the sanctions set forth in Section 209 of the Executive Order and other appropriate relief for violation of this Agreement.

11. This Agreement does not constitute an admission by SAIC of any violation of E.O. 11246, Section 503, VEVRAA, or other laws, nor has there been an adjudicated finding that SAIC violated any laws.

### **PART III. SPECIFIC VIOLATIONS AND REMEDIES**

1. **VIOLATION:** OFCCP alleges that, at least as of February 1, 2014, SAIC's failure to apply its selection criteria uniformly for all applicants during the review period of February 1, 2014 through January 31, 2015 resulted in a statistically significant difference in the rates at which males and females were hired into Engineer Technician I positions during this period. This difference resulted in a shortfall in hiring of seven (7) male applicants, with a statistical significance of (b) (7)(E) standard deviations. This is a violation of 41 C.F.R. §§ 60-1.4(a)(1), -20.3(b)-(c).

SAIC has cooperated with OFCCP's investigation of its Customer Group Staff functional affirmative action program and has cooperated with the agency to resolve this matter. SAIC denies that it failed to comply with the Executive Order and its implementing regulations and further denies that it has discriminated in any manner against any applicant on the basis of gender or any other protected characteristic.

Nonetheless, the parties have agreed to resolve this alleged violation per the below remedy.

**REMEDY:** SAIC agrees to revise its selection procedures and applicant tracking protocols to better ensure that its hiring process does not result in adverse impact against male applicants for Engineer Technician I positions as alleged in this violation, as required by 41 C.F.R. § 60-1.4(a). SAIC will examine, monitor and modify its selection procedures as necessary and ensure that selection criteria are applied uniformly and recorded contemporaneously, and that the hiring decisions for the Engineer Technician I positions are made in a non-discriminatory manner. In addition, SAIC agrees to take the following actions:

- A. **Notice:** By October 15, 2018, SAIC must notify all non-hired applicants shown on Attachment A of the terms of this Agreement by emailing to all non-hired applicants the Notice to Affected Applicants, a link to its online career page with instructions on how to search all current job openings with SAIC. SAIC will notify OFCCP of all emails returned as undeliverable.
- B. **Signing Bonuses:** SAIC will consider all non-hired applicants who apply for an open position for that position. SAIC will pay all non-hired applicants (listed on Attachment A) who are selected for an open position a signing bonus until 9 non-hired applicants receive such a signing bonus or until December 31, 2018, whichever occurs first. The signing bonus shall be \$3,000.

C. Revised Hiring Process.

- 1) Eliminate Selection Procedures Resulting in Adverse Impact: SAIC agrees to comply with all OFCCP regulations concerning selection procedures, including 41 C.F.R. Part 60-3.
- 2) Review and Revision Required: SAIC will revise, in writing, the practices, policies, and procedures it uses to select applicants for Engineer Technician I positions (“Revised Hiring Process”). Specifically, SAIC will:
  - a) create a job description and selection process for Engineer Technician I positions which describe the essential functions; the minimum qualifications including required skills and certifications; and the criteria used in each step of the hiring process, including any application screens, interviews, tests, credit checks, review of criminal history, reference checks, testing, or other selection procedure;
  - b) develop specific, job-related qualification standards for Engineer Technician I positions that reflect the duties, functions, and competencies of the position to minimize the potential for sex stereotyping or other unlawful discrimination;
  - c) ensure all policies and qualification standards are uniformly applied to all applicants; and
  - d) list clearly on its recruiting materials and job postings the minimum qualifications, including required skills and certifications.
- 3) Recordkeeping and Retention: SAIC will write and implement procedures to ensure that applicants are tracked and decisions are documented at each step in the hiring process. SAIC will write and implement procedures to ensure that documents are retained in accordance with 41 C.F.R. § 60-1.12(a) and Part 60-3.
- 4) Training: By November 30, 2018, SAIC will train all individuals involved in any way in recruiting, selecting and tracking applicants for Engineer Technician I positions on the Revised Hiring Process. The training will include instruction in: the proper implementation of the recruitment, tracking, and selection procedures; neutral application of the specified qualifications and criteria that will be used at each step in the hiring process; the procedures to be used to document the decision made at each step in the hiring process; and the procedures to be used to ensure that documents are retained in accordance with 41 C.F.R. § 60-1.12(a) and Part 60-3. SAIC will meet with management and all individuals responsible for the selection process and review its equal employment obligations and nondiscrimination policies related to hiring. Specific attention will be directed to ensure that male applicants who benefit from the provisions of this agreement, are not retaliated against.
- 5) Year Up Program: In order to recruit and retain a diverse pipeline of qualified talent, SAIC will partner with the Year Up training program ([www.yearup.org](http://www.yearup.org)). In the recruitment cycle beginning in January 2019, SAIC will partner with Year Up to host

4 information technology interns nationwide. The estimated cost for this program is approximately \$100,000.

2. **VIOLATION**: During the period February 1, 2014 through January 31, 2015, SAIC failed to preserve all personnel or employment records for a period of not less than two years from the date of the making of the record or personnel action involved, whichever occurred later, as required by 41 C.F.R. § 60-1.12. Specifically, SAIC failed to preserve all copies of records pertaining to the selection processes, phone screening notes, interview notes, and prioritized listing of candidates for all applicants for the Engineer Technician I job title.

**REMEDY**: SAIC will preserve and maintain all personnel and employment records for a period of not less than two years from the date of the making of the record or the personnel action involved, whichever occurs later, in accordance with the requirements of 41 C.F.R. § 60-1.12(a).

#### **PART IV. REPORTS REQUIRED**

SAIC must submit the documents and reports described below to:

U.S. Department of Labor  
Office of Federal Contract Compliance Programs  
Attention: Edward J. Rogers, District Director  
900 Market Street, Room 311  
Philadelphia, PA 19107

**A. The first report will be due on March 31, 2019, and will include:**

- 1) Documentation of the signing bonuses paid to those listed in Attachment A who were hired into open positions, as specified in the Remedy to Violation 1 above;
- 2) For each individual listed in Attachment A, the positions applied for; the position hired into, if applicable; and, if not hired, the reason for rejection;
- 3) Documentation of the revised hiring process;
- 4) Documentation of training on the revised hiring process;
- 5) For the Engineer Technician I position in North Charleston, SC, the total number of applicants and hires identified by gender and by race/ethnicity for the positions filled between October 1, 2018 and January 31, 2019.

**B. The second report will be due on September 30, 2019, and will include:**

- 1) For the Engineer Technician I position in North Charleston, SC, the total number of applicants and hires identified by gender and by race/ethnicity for the positions filled between February 1, 2019 and July 31, 2019;

- 2) Documentation of the payments made to Year Up and any hires made as a result of the partnership.

SAIC will retain all records and data pertinent to the violations resolved by this Agreement and used to prepare required reports until this Agreement expires or as long as required by OFCCP's regulations, whichever date occurs later.

**PART V. SIGNATURES**

This Conciliation Agreement is hereby executed by and between the OFCCP and SAIC—  
Customer Group Staff.

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

Karen A. Wheeler, Esquire  
EVP & Chief Human Resources Officer  
SAIC

Date: 9/28/18

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

Michele Hodge  
Regional Director  
OFCCP, Mid-Atlantic Region

Date: 10/1/18

Attachment A

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Attachment A

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Attachment A

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*You may be eligible to get money and a job because  
of a legal settlement between SAIC and the U.S.  
Department of Labor*

*We are writing to provide information about a legal settlement between the U.S. Department of Labor and SAIC that may benefit you. Our records show that you may be one of the individuals covered by the settlement. If you take the steps described in this Notice by the deadline below, you may be eligible for a job with SAIC as well as a signing bonus.*

**ARE YOU AFFECTED?**

Individuals who applied and were not hired for Engineer Technician I positions at SAIC's facility in North Charleston, SC, between February 1, 2014 and January 31, 2015 are covered by this settlement.

**WHAT IS THIS SETTLEMENT ABOUT?**

The U.S. Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) conducted a review of SAIC's hiring practices between February 1, 2014 and January 31, 2015. OFCCP is the government agency responsible for enforcing the nondiscrimination and equal employment opportunity through affirmative action requirements that apply to federal contractors. OFCCP issued a Notice of Violation alleging that SAIC discriminated against males in hiring for Engineer Technician I positions between February 1, 2014 and January 31, 2015. SAIC denies those claims. Ultimately, OFCCP and SAIC have agreed to resolve the issue through a Conciliation Agreement. A Conciliation Agreement is a legal document that explains the terms of an agreement to settle a Notice of Violation issued by OFCCP.

As a result, SAIC will provide a \$3,000 signing bonus to up to 9 individuals among those who applied to but were not hired to the Engineer Technician I job in North Charleston, SC, between February 1, 2014 and January 31, 2015. To be eligible for the signing bonus, you must apply to one of SAIC's open positions by December 31, 2018. The first 9 individuals hired by SAIC will receive the signing bonus.

**WHAT DOES THIS MEAN FOR YOU?**

Because you applied for an Engineer Technician I position during the relevant time frame, and were not hired, this settlement may provide you with some specific benefits:

- (1) **You may be eligible for a job offer.** SAIC will be notifying individuals receiving this notification of current job opportunities along with an invitation to apply for open

## Attachment B

positions. It is not guaranteed that you will receive a job offer.

### **WHAT IS YOUR NEXT STEP?**

You should read this Notice, and any other information you received from the U.S. Department of Labor or SAIC.

Please do not ignore these forms or throw them away. Otherwise, you could miss an opportunity to receive a job with SAIC.

To be eligible for a signing bonus and a potential job, you must follow the enclosed instructions to apply for one or more open positions.

### **HOW CAN YOU GET MORE INFORMATION?**

If you have any questions, you may contact (b) (6), (b) (7)(C) . You can also visit the U.S. Department of Labor Web site about this case at [www.dol.gov/ofccp/cml](http://www.dol.gov/ofccp/cml)