

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
And
Sanford Health
1300 Anne St NW
Bemidji, Minnesota 56601

PART I: General Provisions

1. This Agreement is between the U.S. Department of Labor, Office of Federal Contract Compliance Programs (OFCCP), and Sanford Health (Sanford), 1300 Anne St NW, Bemidji., Minnesota 56601.
2. The violations identified in this Agreement were found during a compliance evaluation of Sanford which began on August 14, 2017 and were specified in a: Notice of Violation; that was issued on January 18, 2019. OFCCP alleges that Sanford has violated Executive Order 11246, as amended (EO 11246); and implementing regulations at 41 CFR Chapter 60 due to the specific violations cited in Part II below.
3. The provisions of this Agreement will become part of Sanford's Affirmative Action Programs (AAPs). Subject to the performance by Sanford of all promises and representations contained herein and in its AAP, all named violations in regard to the compliance of Sanford with all OFCCP programs will be deemed resolved. However, Sanford is advised that the commitments contained in this Agreement do not preclude future determinations of noncompliance based on a finding that the commitments are not sufficient to achieve compliance.
4. Sanford agrees that OFCCP may review compliance with this Agreement. As part of this review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents, as may be relevant to the matter under investigation and pertinent to Sanford's compliance. Sanford shall permit access to its premises during normal business hours for these purposes.
5. Nothing herein is intended to relieve Sanford from the obligation to comply with the requirements of Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and/or the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212), their implementing regulations, or any other equal employment statute or executive order or its implementing regulations.
6. Sanford agrees that there will be no retaliation of any kind against any beneficiary of this Agreement or against any person who has provided information or assistance, or who files a complaint, or who participates in any manner in any proceedings under Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212).
7. This Agreement will be deemed to have been accepted by the Government on the date of

the signature by the District Director for OFCCP, unless the Regional Director for OFCCP or the Director for OFCCP indicates otherwise within 45 calendar days of the District Director's signature on this Agreement.

8. If at any time in the future, OFCCP believes that Sanford has violated any portion of this Agreement during the term of this Agreement, Sanford will be promptly notified of that fact in writing. This notification will include a statement of the facts and circumstances relied upon in forming that belief. In addition, the notification will provide Sanford with 15 calendar days from receipt of the notification to respond in writing, except where OFCCP alleges that such a delay would result in irreparable injury.

Enforcement proceedings for violation of this Agreement may be initiated at any time after the 15-day period has elapsed or sooner, if irreparable injury is alleged, without issuing a Show Cause Notice.

Where OFCCP believes that Sanford has violated this Conciliation Agreement, OFCCP may seek enforcement of this Agreement itself and shall not be required to present proof of the underlying violations resolved by this Agreement.

Liability for violation of this Agreement may subject Sanford to sanctions set forth as applicable, Section 209 of the Executive Order and/or appropriate relief.

PART II: Specific Provisions

1. **VIOLATION:** During the period of January 1, 2016 through the date the Conciliation Agreement is issued, Sanford failed to identify in the personnel records it maintains:
 - (i) The gender, race and ethnicity of each employee; and
 - (ii) Where possible, the gender, race and ethnicity of each applicant or Internet Applicant as defined in 41 CFR 60-1.3, whichever is applicable to the particular position.

Specifically, Sanford was unable to identify the gender, race and ethnicity of each applicant and employee in both Job Groups 2C and 2D. This is a violation of 41 CFR 60-1.12(c)(1)(i)(ii),

REMEDY: Sanford will identify in its personnel records:

- (i) The gender, race and ethnicity of each employee; and
 - (ii) Where possible, the gender, race and ethnicity of each applicant or Internet Applicant as defined in 41 CFR 60-1.3, whichever is applicable to the particular position, pursuant to 41 CFR 60-1.12(c)(1)(i)(ii).
2. **VIOLATION:** During the period of January 1, 2016 through the date the Conciliation Agreement is issued, Sanford failed to perform in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exist. Specifically, because Sanford failed to maintain records identifying the gender, race and ethnicity of each applicant and employee in both Job Groups 2C and 2D, it was unable

to perform in-depth analysis of its total employment process to determine whether and where impediments to equal employment opportunity exist. This is a violation of 41 CFR 60-2.17(b)(2),

REMEDY: Sanford will perform in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exist. Sanford will evaluate:

- a) Personnel activity, specifically applicant flow, hires, terminations, promotions, and other personnel actions to determine whether there are selection disparities; and
- b) Any other areas that might impact the success of the affirmative action program.

Sanford will perform these analyses annually and incorporate them into its current and future AAPs.

Sanford commits that the above violations will not recur.

Part III: Reporting

1. Sanford agrees to retain records pertinent to the violations cited in Part II above, and to the reports submitted in compliance with Paragraph 2, below. These records shall include data and information underlying the required reports, specifically, but not limited to all applications and personnel records. The records will be retained until the expiration of this Agreement or consistent with regulatory requirements, whichever is later.
2. Sanford agrees to furnish the OFCCP Minneapolis Area Office located at 920 Second Avenue South Suite 575, Minneapolis, Minnesota. 55402 with one (1) progress report.

REPORT DUE DATE:

PERIOD COVERED

January 15, 2020

January 1, 2019 through December 31, 2019

The report shall include the following:

1. Copies of records that identify where possible, the gender, race, and ethnicity of each applicant or Internet Applicant as defined in 41 CFR 60-1.3, whichever is applicable to the particular position.
2. For each job group, include a numerical summary of all applicants during the relevant review period, including the number of total applicants, male applicants, female applicants, non-minority applicants, and minority applicants delineated by race.
3. A listing of all employment vacancies that occurred during the relevant period, including the following information: job title; internal employment vacancy requisition-number, or equivalent, if applicable; and the date the position was made available for applicants.

This Conciliation Agreement shall remain in effect until the review and acceptance by OFCCP of Sanford's progress report.

PART IV: Signatures

This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Sanford Health, 1300 Anne St NW, Bemidji, MN 56601.

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

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

Bryan Nermoe
Vice President Operations
Sanford Health
Bemidji, MN

Corey Stoglin
Compliance Officer
Minneapolis Area Office
Midwest Region

DATE: 1-25-2019

DATE: 1/28/2019

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

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

Henrietta Brinson
Acting District Director
Minneapolis Area Office
Midwest Region

Nathaniel Jackson
Assistant District Director
Minneapolis Area Office
Midwest Region

DATE: 01/28/2019

DATE: 1-28-2019