

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
And
Sauder Woodworking Company
502 Middle Street
Archbold, Ohio 43502

PART I: General Provisions

1. This Agreement is between the U.S. Department of Labor, Office of Federal Contract Compliance Programs (OFCCP), and Sauder Woodworking Company (hereinafter referred to as Sauder Woodworking), 502 Middle Street, Archbold, Ohio 43502.
2. The violations identified in this Agreement were found during a compliance evaluation of Sauder Woodworking which began on July 29, 2015 and were specified in a Notice of Violation that was issued on February 8, 2019. OFCCP alleges that Sauder Woodworking has violated Executive Order 11246, as amended (EO 11246), and the 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 Sauder Woodworking's AAP. Subject to the performance by Sauder Woodworking of all promises and representations contained herein and in its AAP, all named violations in regard to the compliance of Sauder Woodworking with all OFCCP programs will be deemed resolved. However, Sauder Woodworking 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. Sauder Woodworking 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 Sauder Woodworking's compliance. Sauder Woodworking shall permit access to its premises during normal business hours for these purposes.
5. Nothing herein is intended to relieve Sauder Woodworking from the obligation to comply with the requirements of Executive Order 11246, Section 503 of the Rehabilitation Act of 1973, as amended (Section 503), and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212) (VEVRAA), and their implementing regulations, or any other equal employment statute or executive order or its implementing regulations.
6. Sauder Woodworking 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 files a complaint, or who participates in any manner in any proceedings under EO 11246, Section 503 and/or VEVRAA.
7. This Agreement becomes effective on the day it is signed by the District Director for the Midwest Region (the "Effective Date").
8. If at any time in the future, OFCCP believes that Sauder Woodworking has violated any

portion of this Agreement during the term of this Agreement, Sauder Woodworking 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 Sauder Woodworking 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 Sauder Woodworking 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 Sauder Woodworking to sanctions set forth in Section 209 of the Executive Order, 41 CFR 60-300.66 and/or other appropriate relief.

PART II: Specific Provisions

1. **VIOLATION:** During the period July 1, 2014 through the date the Conciliation Agreement is signed, Sauder Woodworking failed to preserve all personnel or employment records made or kept by Sauder Woodworking for not less than two years from the date of the making of the record or the personnel action involved, whichever occurs later. Sauder Woodworking failed to identify (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. Sauder Woodworking failed to conduct adverse impact analysis with respect to Internet hiring procedures. Specifically, Sauder Woodworking a) failed to identify records identifying the gender, race and ethnicity of applicants in Job Groups 60, 70 and 80; b) failed to conduct adverse impact analysis of selection procedures upon employment opportunities of persons by identifiable race, sex, or ethnic groups for all job groups; c) failed to preserve complete and accurate personnel employment records. This is a violation of 41 CFR 60-1.12.

REMEDY: Sauder Woodworking will:

- a) identify in its personnel records 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, whichever is applicable to the particular position, pursuant to 41 CFR 60-1.12(c)(1)(i)(ii);
- b) Conduct adverse impact analyses on at least an annual basis for the purpose of determining whether adverse impact exists against applicants based on race, sex, or ethnic group in hiring, promotion, termination, and other personnel activities. If adverse impact is identified in the total selection process, Sauder Woodworking will evaluate each component of the selection process for adverse impact.
- c) Preserve all personnel or employment records made or kept in either electronic or hard copy format including but not limited to all expressions of interest through the internet or related electronic data technologies, records related to internal

and/or external databases, physical and online applications, completed applicant self-identification forms, resumes, testing materials, and interview records, for not less than two years from the date of the making of the record or the personnel action involved, whichever occurs later. Where a compliance evaluation has been initiated, Sauder Woodworking will preserve all employment or personnel records beyond the two year period until OFCCP makes a final disposition in the matter.

2. **VIOLATION:** During the period of July 1, 2014 through the date the Conciliation Agreement is signed, Sauder Woodworking failed to perform in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exist. Specifically, because Sauder Woodworking failed to understand the requirements of 41 CFR 60-2.17(b), no in-depth analysis of its total employment process to determine whether and where impediments to equal employment opportunity exist was conducted. This is a violation of 41 CFR 60-2.17(b).

REMEDY: Sauder Woodworking will perform in-depth analyses of its total employment process to determine whether and where impediment to equal employment opportunity exist. At a minimum, Sauder Woodworking will evaluate:

- a) The workforce by organizational unit and job group to determine whether there are problems of minority or female utilization;
- b) Personnel activity, specifically applicant flow, hires, terminations, promotions, and other personnel actions to determine whether there are selection disparities;
- c) Compensation system(s) to determine whether there are gender-, race-, or ethnicity- based disparities; and
- d) Selection, recruitment, referral, and other personnel procedures to determine whether they result in disparities in the employment or advancement of minorities or women.

Sauder Woodworking will incorporate these analyses annually and will incorporate them into its current and future AAPs.

3. **VIOLATION:** During the period July 1, 2014 through the date the Conciliation Agreement is signed, Sauder Woodworking failed to maintain records or other information to disclose the impact which its selection procedures have upon employment opportunities of persons by identifiable race, sex, or ethnic group. Specifically, because Sauder Woodworking failed to maintain records identifying the gender, race and ethnicity of applicants in Job Groups 60, 70 and 80, no adverse impact analysis of selection procedures upon employment opportunities of persons by identifiable race, sex, or ethnic groups for Job Groups 60, 70 and 80 was conducted, thus no information was presented to disclose impact of selection procedures. This is a violation of 41 CFR 60-3.4.

REMEDY: Sauder Woodworking will develop, write, and implement procedures to maintain records or other information to disclose the impact which its selection procedures have upon employment opportunities.

Sauder Woodworking agrees that the above violations will not recur.

Part III: Reporting

1. Sauder Woodworking 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/resumes and personnel records. The records will be retained until the expiration of this Agreement or consistent with regulatory requirements, whichever is later.
2. Sauder Woodworking agrees to furnish the U.S. Department of Labor, OFCCP, Columbus Area Office, 200 N. High Street, Room 409, Columbus, Ohio 43215, with two (2) Progress Reports.

Report Due Date

Report 1: August 25, 2019

Report 2: February 25, 2020

Period Covered

Effective date agreement is signed through August 15, 2019

August 16, 2019 through February 15, 2020

Both reports will include the following:

Sauder Woodworking's current year E.O. 11246 Affirmative Action Program plan.

Pursuant to the Remedy for Violation 1, the report will contain:

- a. 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.
- b. For each job group and job title, include a numerical summary of all applicants during the relevant review period, including the number of total applicants (male applicants, female applicant, non-minority applicants, and minority applicants delineated by race).
- c. For each job group and job title, include a numerical summary of all hires during the relevant review period, including the number of total hires (male hires, female hires, non-minority hires, and minority hires delineated by race.)
- d. A listing of all employment vacancies that occurred during the relevant review period, including the following information: job group, job title, internal employment vacancy requisition-number or equivalent if applicable; the date the position was made available for applicants; and the date the position was filled and requisition was closed.

Pursuant to the Remedy for Violation 2 and 3, the report will contain the following:

- a. Copy of in-depth analyses for its total selection process on all personnel activity data for all job groups to determine whether and where impediments to equal employment opportunity exist:
 - o The workforce by organizational unit and job group to determine whether there are problems of minority or female utilization;

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- Personnel activity, specifically applicant flow, hires, terminations, promotions, and other personnel actions to determine whether there are selection disparities;
 - Compensation system(s) to determine whether there are gender-, race-, or ethnicity- based disparities; and
 - Selection, recruitment, referral, and other personnel procedures to determine whether they result in disparities in the employment or advancement of minorities or women.
- b. Records or other information showing which components have an adverse impact where the total selectin process for a job has adverse impact against groups of applicants and/or Internet applicants by identifiable gender, race, or ethnic group
3. This Conciliation Agreement shall remain in effect until the review and acceptance by OFCCP of Sauder Woodworking's final progress report.

TERMINATION DATE: This Agreement will expire 90 days after OFCCP receives the reports required in Part III above or on the date that the District Director gives notice to Sauder Woodworking that Sauder Woodworking has satisfied its reporting requirements, whichever occurs earlier, unless OFCCP notifies Sauder Woodworking in writing prior to the end of the 90-day period that Sauder Woodworking has not satisfied its reporting requirements pursuant to this Agreement.

INTEGRATION CLAUSE: This Agreement represents the full Agreement between Sauder Woodworking and the OFCCP and this Agreement supersedes any other agreements, oral or written. In signing this Agreement, neither Sauder Woodworking nor the OFCCP relies upon any promise, representation of fact or law, or other inducement that is not expressed in this Agreement. This Agreement may be modified only by written agreement of the Parties affected and may not be modified by any oral agreement.

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PART IV: Signatures

This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Sauder Woodworking Company, 502 Middle Street, Archbold, Ohio 43502.

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

Kevin Sauder
CEO/President
Sauder Woodworking Company

DATE: 2/8/19

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

Compliance Officer
Columbus Area Office
Midwest Region

DATE: February 11, 2019

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

Veronica A. Minnefield
Assistant District Director
Columbus Area Office
Midwest Region

DATE: February 11th, 2019

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

Phyllis E. Lipkin
District Director
Columbus Area Office
Midwest Region

DATE: 2/11/19