

**Conciliation Agreement
Between the
U.S. Department of Labor, Office of Federal Contract Compliance Programs
And
Ford Motor Company
One American Road
Dearborn, Michigan 48126**

PART I: General Provisions

1. This Agreement is between the U.S. Department of Labor, Office of Federal Contract Compliance Programs (OFCCP), and Ford Motor Company (Ford).
2. The violations identified in this Agreement were found during a compliance evaluation of Ford's Louisville Assembly Plant (LAP), 2000 Fern Valley Road, Louisville, Kentucky, 40213, which began on May 9, 2013 and were specified in a Notice of Violation that was issued on June 29, 2017. OFCCP alleges that Ford has violated Executive Order 11246, as amended and implementing regulations at 41 CFR Chapter 60 due to the specific violations cited in Part II below.
3. This Agreement does not constitute an admission by Ford of any violation 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, or their implementing regulations.
4. The provisions of this Agreement will become part of Ford's AAP for the LAP establishment. All references herein to Ford's AAP, alleged violations by Ford, remedies, or other commitments by Ford are limited in application to the LAP establishment. Subject to the performance by Ford of all promises and representations contained herein and in its AAP, all named violations in regard to the compliance of Ford with all OFCCP programs will be deemed resolved. However, Ford 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.
5. Ford 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 Ford's compliance. Ford shall permit access to its premises during normal business hours for these purposes.
6. Nothing herein is intended to relieve Ford 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.

7. Ford 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).
8. This Agreement will be deemed to have been accepted by the Government on the date of the signature by the Regional Director for OFCCP.
9. If at any time in the future, OFCCP believes that Ford has violated any portion of this Agreement during the term of this Agreement, Ford 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 Ford 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 Ford 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 Ford to sanctions set forth in as applicable, Section 209 of the Executive Order and/or other appropriate relief.

PART II: Specific Alleged Violations and Remedies

1. **VIOLATION:** Ford failed to preserve personnel and employment records for a period of not less than two years from the dates of a) the making of the record or b) the personnel action involved, whichever occurred later. Specifically, Ford failed to preserve complete and accurate records of all steps in its application and selection procedures, including but not limited to documentation submitted to the state workforce by initial lottery participants, testing information, copies of letters sent to individuals who failed the background check, and employment applications, in violation of 41 CFR 60-1.12(a) and 41 CFR 60-3.

REMEDY: Ford will ensure that any personnel or employment record made or kept shall be preserved in accordance with the requirements of 41 CFR 60-1.12(a) and 41 CFR 60-3. Ford will maintain complete and accurate records of all steps in its application and selection process at LAP, including lotteries, tests, background checks, and other screening processes. They must improve records maintenance and retention at LAP.

2. **VIOLATION:** Ford failed to submit, within 30 days of OFCCP's request, its written AAPs (Affirmative Action Plans) and support data, pursuant to Executive Order 11246, Section 503 of the Rehabilitation Act of 1973, and the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. 4212), as amended, in violation of 41 CFR 60-1.20(e), 41 CFR 60-300.40(d) and 41 CFR 60-741.40(c).

REMEDY: On September 12, 2014, Ford submitted its AAPs and supporting documentation pursuant to Executive Order 11246, Section 503 of the Rehabilitation Act of 1973, and the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. 4212), as amended. Ford will submit its updated AAPs and support data pursuant to 41 CFR 60-1.20(e), 41 CFR 60-300.40(d) and 41 CFR 60-741.40(c), annually by October 30th throughout the term of the Agreement.

3. **VIOLATION:** Ford failed to perform in-depth analysis of its total employment process to determine whether and where impediments to equal employment opportunity exist. Specifically, Ford failed to evaluate personnel activity, specifically applicant flow and hiring to determine where there are selection disparities and selection, recruitment, referral, and other personnel procedures to determine whether they result in disparities in the employment or advancement of minorities. Ford failed to properly evaluate the applicant flow and total selection process, as Ford did not determine if there were problems in recruitment or analyze the selection process to determine if their employment verification and criminal background check had an adverse impact. Because of this, Ford failed to develop and execute action-oriented programs designed to correct any problem areas identified, to attain established goals and objectives and to audit their results, in violation of 41 CFR 60-2.17(b) and (c), 41 CFR 60-3.4C and 41 CFR 60-3.15A.

REMEDY: Ford will conduct in-depth analyses of its total application and selection process to determine whether and where impediments to equal employment opportunity exist at LAP. This includes conducting adverse impact analyses and evaluating each individual component of the selection process by comparing each race or ethnic groups constituting at least two percent of the labor force in the relevant labor area or two percent of the applicable workforce to the group with the highest hiring rate and by evaluating personnel activity to determine whether there are selection disparities. Ford will also develop and execute action-oriented programs designed to correct any problem areas identified, to attain established goals and objectives and to audit the results.

Ford will conduct positive targeted outreach directed at African-American and Hispanic candidates for job openings at LAP. Ford will contact, meet in-person, and develop meaningful relationships with at least the following agency to solicit, on an ongoing basis, referrals of applicants for open positions in all job groups:

Kentuckianaworks Power of Work
410 West Chestnut Street, Louisville, KY 40202
Contact: Michael Gritton, Executive Director
Telephone: 502-574-2500; (502) 574-3069
Email: (7)(C)@KentuckianaWorks.org

Additionally, Ford will put into place measures to ensure all aspects of the selection process, including the criminal background check, are consistently administered at LAP. Ford will review the background check policy quarterly to confirm that the policy provides for the individual assessment of background check results, analyzing the nature and gravity of convictions and the time elapsed since the offense while considering the nature of the position. Where indicators of non-neutrality emerge, Ford will seek alternative selection criteria to meet its business practices. Ford will allow OFCCP to review and approve any revisions to their policy related to criminal background checks at LAP prior to implementation. Ford will provide training to selection officials at the facility on equal employment opportunity and the implementation of the criminal background check policy.

PART III: Reports Required

1. Ford 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 tests, applications, background checks and other personnel records. The records will be retained until the expiration of this Agreement or consistent with regulatory requirements, whichever is later.
2. Ford agrees to submit the documents and reports described below to Assistant District Director Valerie McClelland at [REDACTED] (7)(C) @dol.gov, as well as to her attention at 600 Dr. Martin Luther King, Jr. Place, Room 352, Louisville, Kentucky 40202. Ford will submit two progress reports. The first report will be due on December 31, 2019 for the reporting period June 1, 2019 to November 30, 2019. The second report will be due on June 30, 2020 for the reporting period December 1, 2019 to May 31, 2020. Each progress report submitted will contain the following items:

Concerning Violation One:

- A. Signed statement from senior Ford official certifying that Ford has preserved all personnel and employment records in accordance with the requirements of 41 CFR 60-1.12(a) and 41 CFR 60-3.

Concerning Violation Two:

- A. Data on Ford's employment activity (applicants, hires, promotions, and terminations) for the reporting period. For each job group or title, this data shall include the total number of applicants identified by gender and race/ethnicity, including applicants for whom race and/or gender is unknown; the total number of hires identified by gender and race/ethnicity; the number of promotions by gender and race/ethnicity; and the total number of employee termination by gender and race/ethnicity.

- B. Separately from the two progress reports, on each October 30th date during the term of this Agreement, Ford will submit a copy of a current Executive Order AAP prepared in accordance with the requirements of 41 CFR 60-1.40 and 41 CFR 60-2.1 through 41 CFR 60-2.17, a current Section 503 AAP prepared in accordance with the requirements of 41 CFR 60-741.40 through 41 CFR 60-741.45, and a current VEVRAA AAP prepared in accordance with the requirements of 41 CFR 60-300.40 through 41 CFR 60-300.45.

Concerning Violation Three:

- A. Documentation of Ford's in-depth analyses of the total application and selection process for jobs in the 51-General Production Workers job group, including all components of the selection process, beginning at the lottery phase, to determine whether and where impediments to equal employment opportunity exist. This documentation will include the results of Ford's most recent adverse impact analyses of the total selection process by job group or title comparing each race or ethnic group constituting at least two percent of the labor force in the relevant labor area or two percent of the applicable workforce to the group with the highest hiring rate. If adverse impact, as that term is defined and described in 41 CFR 60-3.4D, exists in any job group or title, Ford will provide additional information which shall include results of its examination of each individual component in the selection process for the job group or title and a detailed description of any action-oriented programs developed and executed to correct any problem areas identified, to attain established goals and objectives and to audit the results, providing OFCCP with a detailed description of each outcome. Specifically, if Ford identifies adverse impact at the post-offer criminal background check stage, Ford will provide copies of the background checks for each applicant on which a check was conducted during the reporting period and a corresponding log of reasons for rejection for those not selected to continue in the selection process due to the results of the background check.
- B. Documentation that Ford has put into place measures to consistently administer all aspects of the selection process at LAP, including the criminal background check. This documentation will include a copy of Ford's current criminal background check policy and a signed statement from a senior Ford official certifying that Ford has reviewed the policy on at least a quarterly basis. If Ford makes any revisions to the criminal background check policy, Ford will allow OFCCP the opportunity to review and approve such revisions prior to implementation. Further, Ford will maintain and submit, on an annual basis, records that Ford has provided training to its selection officials on equal employment opportunity and implementation of the criminal background check policy trainings, including date(s) of the training(s), who conducted the training(s), list of attendees and their job titles, and content of the training(s).

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

TERMINATION DATE: This Agreement will expire 90 days after OFCCP receives the final report required in Part III above or on the date that the District Director gives notice to Ford that it has satisfied its reporting requirement, whichever occurs earlier, unless OFCCP notifies Ford in writing prior to the end of the 90-day period that Ford has not satisfied its reporting requirement pursuant to this Agreement as outlined in Part III, Paragraph 2, above.

INTEGRATION CLAUSE: This Agreement represents the full Agreement between Ford and OFCCP and this Agreement supersedes any other agreements, oral or written. In signing this Agreement, neither Ford nor 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.

PART IV: Signatures

This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Ford Motor Company. The person signing this Conciliation Agreement on behalf of Ford Motor Company is authorized to do so. Ford Motor Company has entered into this Conciliation Agreement voluntarily and with full knowledge of the effect thereof, and that execution of this Conciliation Agreement is fully binding on Ford Motor Company and OFCCP.

DATE: 5/13/19

DATE: 5/15/2019

(6), (7)(C)

(6), (7)(C), (7)(E)

Frederick J. Thome
Plant Manager
Louisville Assembly Plant
Ford Motor Company
2000 Fern Valley Road
Louisville, Kentucky 40213

Compliance Officer - Louisville
Office of Federal Contract Compliance
Programs

DATE: 05/15/2019

DATE: 5/16/2019

(6), (7)(C)

(6), (7)(C)

E. Michelle Hernandez
District Director - Nashville
Office of Federal Contract Compliance
Programs

Samuel Maiden
Southeast Regional Director
Office of Federal Contract Compliance
Programs