

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
And
Virginia Polytechnic Institute and State University
Burruss Hall, Suite 210
800 Drillfield Drive
Blacksburg, Virginia 24061

PART I: General Provisions

1. This Agreement is between the U.S. Department of Labor, Office of Federal Contract Compliance Programs (OFCCP), and Virginia Polytechnic Institute and State University, Burruss Hall, Suite 210, 800 Drillfield Drive, Blacksburg, Virginia 24061 (Virginia Tech).
2. The violations alleged in this Agreement were found during a compliance evaluation of Virginia Tech which began on March 1, 2013 and were specified in Notice of Violation issued May 8, 2017 and a Show Cause Notice that was issued on August 17, 2017. OFCCP alleges that Virginia Tech has violated Executive Order 11246, as amended, and implementing regulations at 41 C.F.R. Chapter 60 due to the specific violations cited in Part II below.
3. This Agreement does not constitute an admission by Virginia Tech of any violation of Executive Order 11246, as amended, and the implementing regulations.
4. The provisions of this Agreement will become part of Virginia Tech's AAP. Subject to the performance by Virginia Tech of all promises and representations contained herein and in its AAP, all named violations in regard to the compliance of Virginia Tech with all OFCCP programs will be deemed resolved. However, Virginia Tech 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. Virginia Tech 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 Virginia Tech's compliance. Virginia Tech shall permit access to its premises during normal business hours for these purposes.
6. Nothing herein is intended to relieve Virginia Tech 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. Virginia Tech 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 Virginia Tech has violated any portion of this Agreement during the term of this Agreement, Virginia Tech 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 Virginia Tech 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 Virginia Tech 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 Virginia Tech to sanctions set forth in Section 209 of the Executive Order and/or other appropriate relief.

PART II: Specific Provisions

1. **VIOLATION:** During the period October 1, 2011 through present, Virginia Tech failed to maintain personnel or employment records, made or kept by Virginia Tech 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 violation of 41 C.F.R. § 60-1.12(a) Specifically, Virginia Tech failed to have records available of compensation decisions and/or how the compensation decisions were made for Extension Agents and other extension-related employees.

REMEDY: Virginia Tech will maintain personnel or employment records, made or kept by Virginia Tech for a period of not less than two years from the date of the record or the personnel action involved, whichever occurs later. Such records include, but are not necessarily limited to, records pertaining to hiring, assignment, promotion, demotion, transfer, layoff or termination, and rates of pay or other terms of compensation as required by 41 C.F.R. § 60-1.12(a).

2. **VIOLATION:** During the period October 1, 2011 through present, Virginia Tech failed to develop and implement an auditing system that periodically measures the effectiveness

of its total affirmative action program, in violation of 41 C.F.R. § 60-2.17(d). Specifically, Virginia Tech failed to monitor compensation of its Extension Agents and other extension-related employees to ensure that the nondiscriminatory policy is carried out. This is a violation of 41 CFR § 60-2.17(d).

REMEDY: Virginia Tech will develop and implement an auditing system to measure the effectiveness of its total affirmative action program and address any disparities identified. Specifically, Virginia Tech will:

- A. Regression and Statistical Analyses and Prospective Salary Adjustments. No later than October 31, 2019, Virginia Tech will conduct regression and statistical analyses of compensation of Extension Agents and other extension-related employees using a snapshot date of September 30, 2019. Virginia Tech will do the analyses using the methodology described in Attachment A. If an analysis results in a statistically significant disparity (t-statistic) of - [REDACTED] or higher, adverse to any protected group, Virginia Tech will conduct additional investigation of the compensation differences. If Virginia Tech is unable to identify a legitimate, nondiscriminatory basis, supported by contemporaneous documentation, for the pay differences, Virginia Tech will make necessary pay adjustments in accordance with applicable laws.
- B. Evaluation. For Extension Agents and other extension-related employees, Virginia Tech will conduct a study to evaluate whether pay decisions, performance evaluation ratings, procedures for assigning work, the availability of training opportunities, leave policies, retention incentives, and/or starting salaries have a disproportionately negative effect on the compensation of females.
- C. Revised Compensation Process. Virginia Tech will revise its compensation process to ensure effective oversight and documentation of all compensation decisions. This process will ensure all decisions are free from unlawful discrimination.
- D. Eliminate Discriminatory Compensation Policies. If the regression analysis, statistical analysis or evaluation under this Part identifies a discriminatory policy or practice that negatively affects the yearly compensation of Extension Agents and other extension-related employees of a protected class, Virginia Tech agrees to immediately cease using it. Virginia Tech will develop and write new policies to eliminate all discriminatory policies or practices identified.
- E. Training. Within 180 days of the Effective Date of this Agreement, Virginia Tech will train all individuals involved in any way in determining compensation for Extension Agents and other extension-related employees on all new and revised policies, procedures, and programs developed under this Part.
- F. Self-Monitoring/Auditing. Virginia Tech will monitor base salary as well as the administration of non-base compensation and benefits and adverse employment actions for any indication of statistically significant disparities based on sex and will investigate and remedy any inequity that may be established.

Part III: Reporting

1. Virginia Tech 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. Virginia Tech agrees to furnish the OFCCP with the following report to:

U.S. Department of Labor
Office of Federal Contract Compliance Programs
Attention: Dianna Adams, Assistant District Director
400 North 8th Street, Suite 466
Richmond, Virginia 23219

Virginia Tech will submit one (1) report. The progress report will be due November 15, 2019. Virginia Tech will submit the following in the progress report:

- A. For the report, the results of the regression and statistical analyses carried out in accordance with Part II-2.A. and Attachment A. Virginia Tech will provide a copy of the database used, the output, and the statistical log.
- B. Documentation of back pay and salary adjustments made as a result of the analyses required by Part II-2.A. and III-2.A. The pay adjustments will be made in accordance with Attachment A.
- C. The results of Virginia Tech's study carried out in accordance with Part II-2.B.
- D. Any new policies developed in accordance with Part II-2.C.
- E. A copy of any training materials developed in accordance with Part II-2.D, along with documentation of who received the training.
- F. Copies of any other self-audits Virginia Tech conducted in the prior year to analyze whether any compensation disparity exists with respect to the compensation of Extension Agents and other extension-related employees.

TERMINATION DATE:

This Conciliation Agreement shall remain in full force and effect until sixty (60) days following Virginia Tech's submission of the final report, or until such time as OFCCP has deemed that Virginia Tech has met all conditions of the Agreement.

INTEGRATION CLAUSE:

This Conciliation Agreement represents the full Agreement between Virginia Tech and OFCCP and this Agreement supersedes any other agreements, oral or written. In signing this Agreement, neither Virginia Tech 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 Virginia Polytechnic Institute and State University, Burruss Hall, Suite 210, 800 Drillfield Drive, Blacksburg, Virginia 24061.

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

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

TIMOTHY SANDS
President
Virginia Polytechnic Institute and State
University
Blacksburg, VA

DIANNA ADAMS
Assistant District Director
OFCCP
Richmond Area Office

DATE: 7/19/19

DATE: 7/24/2019

ATTACHMENT A

As stated in Part II.-2.A., for the purpose of salary adjustments, Virginia Tech will conduct regression and statistical analyses of Extension Agents and other extension-related employees using a January 1, 2019 snapshot date. The dependent variable in the regression analysis will be the natural logarithm of annual salary. The independent variables will be years in current job, other years at Virginia Tech, discipline, highest degree, extension agent level, unit coordinator supplement, and prior experience.

If the above analysis reveals that sex had an effect on pay that is statistically significant to a level of -1.96 standard deviations or higher, Virginia Tech will conduct additional investigation of the compensation differences. If Virginia Tech is unable to identify a legitimate, nondiscriminatory basis, supported by contemporaneous documentation for the pay differences, Virginia Tech will make necessary pay adjustments in accordance with applicable laws.