CONCILIATION AGREEMENT

Between

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

and

REACH Inc. 213 Third Street Juneau, AK 99801

PART I. PRELIMINARY STATEMENT

The Office of Federal Contract Compliance Programs ("OFCCP") evaluated REACH Inc.'s (hereinafter "REACH") facility located at 213 Third Street, Juneau, AK 99801, and found that REACH was not in compliance with Executive Order 11246, as amended ("E.O. 11246"), the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. 4212 ("VEVRAA"), and their implementing regulations at 41 C.F.R. Sections 60-1, 60-3, and 60-300. OFCCP notified REACH of the specific violations found and the corrective actions required in a Notice of Violation issued on June 21, 2019. 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 REACH enter this contract ("Agreement") and agree to all the terms stated below.

PART II. GENERAL TERMS AND CONDITIONS

- 1. In exchange for REACH's fulfillment of all obligations in Parts III and IV of the Agreement, OFCCP agrees not to institute administrative or judicial enforcement proceedings under E.O. 11246 and VEVRAA based on the 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 REACH violates this Agreement. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
- 2. REACH 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. REACH will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all reports and documents requested.

- 3. REACH understands that nothing in this Agreement relieves REACH of its obligation to fully comply with the requirements of E.O. 11246, Section 503, VEVRAA, their implementing regulations, and other applicable equal employment laws.
- 4. REACH 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 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 District Director of the Seattle District Office (the "Effective Date") unless the Pacific Regional Director or the Director of OFCCP indicates otherwise within 45 calendar days of the date the District Director signs the Agreement.
- 9. This Agreement will expire sixty (60) days after REACH submits the final progress report required in Part IV, below, unless OFCCP notifies REACH in writing prior to the expiration date that REACH has not fulfilled all of its obligations under the Agreement, in which case the Agreement is automatically extended until the date that OFCCP determines REACH has met all of its obligations under the Agreement.

10. If REACH violates this Agreement,

- A. The procedures set forth at 41 C.F.R. 60-1.34 will govern:
 - 1) If OFCCP believes that REACH violated any term of the Agreement while it was in effect, OFCCP will send REACH a written notice stating the alleged violations and summarizing any supporting evidence.
 - 2) REACH will have 15 days from receipt of such notice to demonstrate in writing that it has not violated the Agreement, unless such a delay would result in irreparable injury to the employment rights of affected employees or applicants.
 - 3) If REACH 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.** REACH may be subject to the sanctions set forth in Section 209 of the Executive Order and 41 C.F.R. 60-300.66 and/or other appropriate relief for violation of this Agreement.

PART III. SPECIFIC VIOLATIONS AND REMEDIES

1. E.O. 11246 – RECORDKEEPING/ADVERSE IMPACT ANALYSIS

- A. STATEMENT OF VIOLATION: During the period January 1, 2017 through December 31, 2017, REACH failed to maintain personnel and employment records and conduct adverse impact analyses, in violation of 41 C.F.R. 60-1.12(a) and 60-3.
- B. OFCCP's SPECIFIC FINDINGS: Specifically, REACH failed to keep records pertaining to the application process, including paper applications, interview notes, and disposition information for all candidates, and failed to evaluate the individual components of the selection process for adverse impact when adverse impact was identified in the total selection process, as required by 41 C.F.R. 60-3.15A and 60-3.4.
- C. REMEDY: REACH will ensure that its records are collected and maintained in accordance with the requirements of 41 C.F.R. 60-1.12(a) and Part 60-3. REACH will 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. These analyses will be done by job for each group constituting more than 2% of the labor force in the relevant labor area or 2% of the applicable workforce. If adverse impact is identified in the total selection process, REACH will evaluate each individual component of the selection process for adverse impact. If adverse impact is found to exist in any of the individual components of the selection process, REACH will validate each such component in accordance with the Uniform Guidelines on Employee Selection Procedures or utilize selection procedures which do not result in adverse impact.

2. VEVRAA – OUTREACH

A. STATEMENT OF VIOLATION: During the period January 1, 2017 through June 30, 2018, REACH failed to undertake appropriate outreach and positive recruitment activities that were reasonably designed to effectively recruit qualified protected veterans, document these activities, assess their effectiveness, and document its review, in violation of 41 C.F.R. 60–300.44(f).

- B. OFCCP's SPECIFIC FINDINGS: Specifically, REACH did not undertake appropriate external outreach and positive recruitment for protected veterans.
- C. REMEDY: REACH will undertake appropriate external outreach and positive recruitment activities that are reasonably designed to effectively recruit qualified protected veterans, such as those described at 41 C.F.R. 60–300.44(f)(2). REACH will annually review its outreach and recruitment activities, assess their effectiveness, and document this review, in accordance with 41 C.F.R. 60-300.44(f)(3). REACH will document all activities it undertakes to comply with this section, in accordance with 41 C.F.R. 60–300.44(f)(4).

REACH will use the following source as part of their overall efforts, such as entering into a formal, written relationship with the organization to accomplish specified objectives like training, referring job applicants, or participating in job fairs targeting qualified protected veterans:

U.S. Department of Veteran Affairs (b) (7)(C)

Vocational Rehabilitation Counselor 1201 N. Muldoon Road

Anchorage, Alaska 99504

907-433-(b) (7)(c)

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PART IV. REPORTS REQUIRED

1. REACH will submit the documents and reports described below to:

U.S. Department of Labor, OFCCP Seattle District Office Leigh Jones District Director 300 Fifth Avenue, Suite 1100 Seattle, WA 98104

REPORT DUE DATE

PERIOD COVERED

Report 1: March 1, 2020 **Report 2**: September 1, 2020 Effective Date – January 31, 2020 February 1, 2020 – July 31, 2020

Each report will include the following items unless otherwise noted:

Pursuant to Remedy 1 (Recordkeeping/Adverse Impact Analysis)

- A. The total number of applicants and hires for each job group with a breakdown by applicable race, gender and ethnic group of applicants and hires;
- B. For each job group, the results of REACH's analysis as to whether its total selection process has adverse impact, as defined in 41 C.F.R. 60-3.4D, based on race, gender and/or ethnic group;
- C. For each job group where adverse impact has been identified, information on all qualifications used during the selection process and the stage at which REACH used each qualification(s) as a screening device;
- D. For each job group where the total selection process has an adverse impact, as defined in 41 C.F.R. 60-3.4D, an analysis of the individual components of the selection process that caused the adverse impact;
- E. The actions taken by REACH, where action is appropriate, after determining that any component of the selection process has an adverse impact based on race, gender, and/or ethnic group.
- F. <u>For the first report only</u>: Documentation describing and illustrating the system that REACH has developed and put into place to ensure all application materials are maintained.

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G. Documentation, including samples of paper applications, interview notes, and disposition information, demonstrating that REACH kept and preserved all personnel and employment records.

Pursuant to Remedy 2 (Outreach)

- A. Documentation that REACH has undertaken appropriate external outreach and positive recruitment activities, that are reasonably designed to effectively recruit qualified protected veterans, such as those described at 41 C.F.R. 60–300.44(f)(2). REACH must provide a list of all veteran outreach and recruitment activities undertaken and supporting documents, including but not limited to copies of letters, memos, record of telephone calls, emails, etc.
- B. For the first report only: Documentation that REACH has performed an annual assessment (AAP year 2019) of their external outreach and recruitment efforts, as required by 41 C.F.R. 60-300.44(f). Specifically, REACH will document each evaluation, including at a minimum the criteria it used to evaluate the effectiveness of each effort and provide a conclusion as to whether each effort was effective. In addition, if REACH concludes the totality of their efforts were not effective in identifying and recruiting qualified protected veterans, it shall identify and implement alternative efforts in order to fulfill its obligations in identifying and recruiting qualified protected veterans.
- 2. REACH 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.

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PART V. SIGNATURES

This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and REACH.

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

Dan Elstad

Executive Director REACH Inc. 213 Third Street Juneau, AK 99801

DATE: 7/11/2019

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

Quanda Evans

Assistant District Director Office of Federal Contract Compliance Programs Seattle District Office

DATE: 7/25/19

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

(b) (7)(C), (b) (7)(E

Compliance Officer
Office of Federal Contract Compliance
Programs
Seattle District Office

DATE: 7/24/19

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

Leigh Jones

District Director

Office of Federal Contract Compliance

Programs

Seattle District Office

DATE: 1/30/19