

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
And
Strategic Operations, Inc.

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated the Strategic Operations, Inc. (Contractor) establishment located at 4705 Ruffin Road, San Diego, CA 92123-1611, beginning on December 9, 2019. OFCCP found that Contractor failed to comply with the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 (VEVRAA) and the respective implementing regulations at 41 CFR Chapter 60 and 61.

OFCCP notified Contractor of the specific violation(s) and the corrective action(s) required in a Notice of Violation (NOV) issued on June 9, 2020.

In the interest of resolving the violations without engaging in further legal proceedings and in exchange for sufficient and valuable consideration described in this document, OFCCP and Contractor enter into this Conciliation Agreement (Agreement), and the parties agree to all the terms therein.

II. General Terms and Conditions

1. In exchange for Contractor's fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under VEVRAA based on the violations alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Contractor violates any provision of this Agreement, as set forth in Paragraph 11, below. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. OFCCP may review Contractor's compliance with this Agreement. As part of this review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. Contractor will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all hard copy or electronic reports and documents it requests, including those specified in this Agreement.
3. Nothing in this Agreement relieves Contractor of its obligation to fully comply with the requirements of E.O. 11246, Section 503, VEVRAA, their implementing regulations, or other applicable laws requiring nondiscrimination or equal employment opportunity through affirmative action.
4. Contractor and OFCCP agree that any release of claims required by this Agreement will only pertain to claims under E.O. 11246, Section 503, and/or VEVRAA.
5. Contractor agrees that it will not retaliate against any potential or actual beneficiary of this Agreement or against any person who files a complaint, who has provided

information or assistance, or who participates in any manner in any proceeding in this matter.

6. The parties understand the terms of this Agreement and enter into it voluntarily.
7. This Agreement constitutes the entire Agreement and represents the complete and final understanding of the parties. This Agreement contains all of the terms binding the parties and it supersedes all prior written and oral negotiations and agreements. Any modifications or amendments to this Agreement must be agreed upon in writing and signed by all parties. If an administrative error is found, OFCCP will work in good faith with all parties to make the corrections.
8. This Agreement becomes effective on the day it is signed by the San Diego District Director, OFCCP (Effective Date).
9. If one or more provisions of this Agreement is deemed unlawful or unenforceable, the remaining provisions will remain in full force and effect.
10. This Agreement will expire sixty (60) days after Contractor submits its final progress report required in Section IV, below, unless OFCCP notifies Contractor in writing before the expiration date that Contractor has failed to fulfill all of its obligations under the Agreement. In this instance, the Agreement is automatically extended until the date that OFCCP determines that Contractor has met all of its obligations under the Agreement.
11. If Contractor violates this Agreement:
 - a. The procedures at 41 C.F.R. §§60-1.34 and 60-300.63 (2014) will govern:
 - i. OFCCP will send Contractor a written notice stating the alleged violations and summarizing any supporting evidence.
 - ii. The Contractor shall have fifteen (15) days from receipt of the notice to respond, except in those cases in which such a delay would result in irreparable injury to the employment rights of affected employees or applicants.
 - iii. If Contractor is unable to demonstrate that it has not violated the Agreement, or if OFCCP's alleges irreparable injury, enforcement proceedings may be initiated immediately without issuing a show cause notice or proceeding through any other requirement.
 - iv. In the event of a breach of this Agreement by the contractor, OFCCP may elect to proceed to a hearing on the entire case and seek full make-whole relief, and not be limited to the terms agreed to in the Agreement.
 - b. Contractor may be subject to the sanctions set forth in Section 209 of the Executive Order, 41 C.F.R. 60-1.27, 41 C.F.R. 60-300.66 (2014) and/or other appropriate relief for violating this Agreement.

12. Contractor neither admits nor denies any violation of the Executive Order, Section 503 or VEVRAA, nor has there been an adjudication on the merits regarding any such violation.
13. OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations resolved by this Agreement.
14. The parties understand and agree that nothing in this Agreement is binding on other governmental departments or agencies other than the United States Department of Labor.
15. Each party shall bear its own fees and expenses with respect to this matter.
16. This Agreement is limited to the facts of this case. Neither this Agreement, nor any part of the negotiations that occurred in connection with this Agreement, shall constitute admissible evidence with respect to any OFCCP policy, practice or position in any lawsuit, legal proceeding, administrative proceeding, compliance evaluation or audit, except for legal or administrative proceedings concerning the enforcement or interpretation of this specific Agreement.
17. All references to “days” in this Agreement are calendar days. If any deadline for an obligation scheduled to be performed under this Agreement falls on a weekend or a Federal holiday, that deadline will be extended to the next business day.

III. Technical Violations and Remedies

1. **VIOLATION:** As of September 30, 2019, Contractor had failed to timely submit its VETS-4212 report as per 41 CFR § 61-300.11(b). Pursuant to that section, VETS-4212 Reports must be filed between August 1 and September 30 of each year following a calendar year in which a contractor or subcontractor held a contract or subcontract.

REMEDY: On May 18, 2020, Contractor submitted evidence of filing its VETS-4212 report to the Veteran Employment and Training Service. It is understood that this violation will not recur. To ensure future compliance, contractor will submit to OFCCP evidence that it continues to comply with these regulations for a period of one year.

2. **VIOLATION:** During the period June 1, 2018 through May 31, 2019, Contractor failed to immediately list all employment openings with either the state workforce agency job bank or a local employment service delivery system serving the location where the openings occurred in violation of 41 CFR §§ 60–300.5(a)(2)–(6).

REMEDY: On May 27, 2020, Contractor submitted evidence that it has started to list all positions with the state workforce agency, CalJobs. Contractor must continue to list all employment openings as they occur with an appropriate employment service delivery system (ESDS) (either the state workforce agency job bank or a local ESDS) where the openings occur, in a manner and format that will allow the ESDS to provide priority referrals of protected veterans to Contractor as required by 41 CFR §§ 60–300.5(a)(2)–(6). With its initial listing, and as subsequently needed to update the information,

Contractor must also advise the employment service delivery system that it is a federal contractor that desires priority referrals of protected veterans for job openings at all locations within the state, and provide the employment service delivery system with the name and address of each of its hiring locations within the state and the contact information for the contractor official responsible for hiring at each location, in accordance with 41 CFR § 60-300.5(a)4. Should any of the information in the disclosures change since it was last reported to the ESDS, Contractor shall provide updated information simultaneously with its next job listing. It is understood that this violation will not recur. To ensure future compliance, Contractor will submit to OFCCP evidence that it continues to comply with these regulations for a period of one year.

IV. Reports Required During OFCCP Monitoring Period

1. **Recordkeeping.** Contractor agrees to retain all records relevant to the violations cited in Section III above and the reports submitted in compliance with Paragraph 2, below. Contractor will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.

2. **Contractor Reports.**

a. **Submissions.** Contractor will submit reports by mail and electronic mail to:

Sean Ratliff
San Diego District Director
550 West C Street, Suite 900
San Diego, CA 92101
(b) (6), (b) (7)(C)@dol.gov

b. **Schedule and Instructions.** Contractor agrees to furnish OFCCP with the following reports according to the following schedule:

- i. **First Progress Report:** On or before October 1, 2020, Contractor will submit the following:
 1. Copy of its 2020 VETS-4212 report as filed with USDOL/VETS.
 2. Documentation that, since the Effective Date of this Agreement, Contractor complied with 41 CFR §§ 60-300.5(a)(2) through (6) by listing all necessary job openings with the local California Employment Development Department office wherein the openings occurred; along with a report on the number of referrals/responses received from these listings and the number of hires, broken down by protected veteran status where possible.

ii. **Second Progress Report:** On or before October 1, 2021, Contractor will submit the following:

1. Copy of its 2021 VETS 4212 report as filed with USDOL/VETS.
2. Documentation that, since the date of the Contractor's First Progress Report, Contractor complied with 41 CFR §§ 60-300.5(a)(2) through (6) by listing all necessary job openings with the local California Employment Development Department office wherein the openings occurred; along with a report on the number of referrals/responses received from these listings and the number of hires, broken down by protected veteran status where possible.

c. **Confidentiality.** Contractor and OFCCP have a common interest in the information being provided in the reports pursuant to this Agreement. To the extent any of the reports Contractor provides in accordance with this Agreement are customarily kept private or closely-held, and the Contractor believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, Contractor will provide such reports to OFCCP marked as "Confidential". In the event of a FOIA request, OFCCP will treat any such documents received as confidential documents.

3. **Close of Monitoring Period and Termination of Agreement.** This Agreement shall remain in effect until the monitoring period is completed. The monitoring period will close once OFCCP accepts Contractor's final progress report as set forth in Part II, Paragraph 10 above. If OFCCP fails to notify Contractor in writing within sixty (60) days of the date of the final progress report that Contractor has not fulfilled all of its obligations under the Agreement, OFCCP will be deemed to have accepted the final report and the Monitoring Period and this Agreement will terminate. If OFCCP notifies Contractor within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines Contractor has met all of its obligations under the Agreement.

V. SIGNATURES

The person signing this Agreement on behalf of Contractor personally warrants that he or she is fully authorized to do so, that Contractor has entered into this Agreement voluntarily and with full knowledge of its effect, and that execution of this Agreement is fully binding on Contractor.

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Strategic Operations, Inc., San Diego, CA 92123-1611.

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

Stu Segall
President
Strategic Operations, Inc.
San Diego, CA 92123-1611

DATE: JUNE 22, 2020

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

Sean Ratliff
District Director
San Diego District Office

DATE: 06/23/2020

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

(b) (6), (b) (7)(E)
Compliance Officer
San Diego District Office

DATE: _____