

CONCILIATION AGREEMENT
Between
THE U. S. DEPARTMENT OF LABOR

OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

And

GOODWILL INDUSTRIES OF SOUTH TX
2961 S. PORT AVE.
CORPUS CHRISTI, TX 78405-2038

PART I. PRELIMINARY STATEMENT

The Office of Federal Contract Compliance Programs (“OFCCP”) evaluated Goodwill Industries of South TX’s (“Goodwill”) facility¹ located at 2961 S. Port Ave., Corpus Christi, TX 78405-2038 and found that Goodwill was not in compliance with the Executive Order 11246, as amended (“E.O. 11246”), and its implementing regulations at 41 Code of Federal Regulations (“C.F.R.”) and their implementing regulations at 41 C.F.R. Sections 60-1 and 60-3. OFCCP notified Goodwill of the specific violations found and the corrective actions required in a Notice of Violations issued on June 6, 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 Goodwill enter this contract (“Conciliation Agreement” or “Agreement”) and agree to all the terms stated below.

PART II. GENERAL TERMS AND CONDITIONS

1. In exchange for Goodwill’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 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 Goodwill violates this Agreement. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. Goodwill 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. Goodwill will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all reports and documents requested.
3. Goodwill understands that nothing in this Agreement relieves Goodwill of its obligation to fully comply with the requirements of E.O. 11246, Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 (“Section 503”), Vietnam Era Veterans’ Readjustment

¹ Goodwill Industries of South TX includes Corporate and 28 Retail facilities throughout South Texas.

Assistance Act of 1974, as amended, 38 U.S.C. § 4212 (“VEVRAA”), their implementing regulations, and other applicable equal employment laws.

4. Goodwill 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, and/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 San Antonio District Director (the “Effective Date”).
9. This Agreement will expire sixty (60) days after Goodwill submits the final progress report required in Part IV (D), below, unless OFCCP notifies Goodwill in writing prior to the expiration date that Goodwill has not fulfilled all of its obligations under the Agreement, in which case the Agreement is automatically extended until the date that OFCCP determine Goodwill has met all of its obligations under the Agreement.
10. If Goodwill violates this Conciliation Agreement,
 - A. The procedures set forth at 41 C.F.R. § 60-1.34 will govern:
 - 1) If OFCCP believes that Goodwill violated any term of the Agreement while it was in effect, OFCCP will send Goodwill a written notice stating the alleged violations and summarizing any supporting evidence.
 - 2) Goodwill will have 15 days from receipt of such notice to demonstrate in writing that it has not violated the Conciliation Agreement, unless such a delay would result in irreparable injury to the employment rights of affected employees or applicants.
 - 3) If Goodwill 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. Goodwill may be subject to the sanctions set forth in Section 209 of the Executive Order, and/or other appropriate relief for violation of this Agreement.

11. This Agreement does not constitute an admission by Goodwill of any violation of E.O. 11246, Section 503, VEVRAA, or other laws, nor has there been an adjudicated finding that Goodwill violated any laws.

PART III. SPECIFIC VIOLATIONS AND REMEDIES

1. VIOLATION: OFCCP found that Goodwill is not in compliance with 41 C.F.R §60-1.12(a), 41 C.F.R §60-3.4 and C.F.R §60-3.15. Specifically, during the period January 1, 2017 through December 31, 2018, Goodwill did not preserve complete and accurate employment and personnel records to include applicant flow logs, all employment applications, and all self-identification forms for all individuals who expressed an interest in employment.

Goodwill's summary numbers for applicants and hires for the period January 1, 2017 through December 31, 2018 revealed more hires than applicants in job groups First Level Officials and Managers Administrative Support Workers, Operatives, Laborers & Helpers, and Service Workers. Goodwill officials confirmed during telephone interviews and written correspondence on February 25, 2019, March 25, 2019, and May 13, 2019 that Goodwill did not track all individuals that expressed an interest in employment. Goodwill officials also stated they considered applicants for any positions, not necessarily by job group/position applied for, in the summary numbers for applicants and hires. Thus, the reason for inaccurate data. Furthermore, Goodwill only maintained application records for individuals who were interviewed.

REMEDY: Goodwill will ensure that its records are collected and maintained in accordance with the requirements of 41 C.F.R §60-1.12(a) 41 C.F.R §60-3.4 and C.F.R §60-3.15.

A. Revised Hiring Process: Goodwill will revise, in writing, the practices, policies and procedures it uses to select applicants (hereinafter "Revised Hiring Process").

B. Recordkeeping and Retention Procedures: Goodwill will write and implement procedures to ensure that all individuals that express interest in employment are tracked and decisions are documented at each step in the hiring process. Goodwill will write and implement procedures to ensure that documents are retained in accordance with 41 C.F.R. 60-1.12(a) and Part 60-3.

C. Training: Within 60 calendar days the Effective Date of this Agreement, Goodwill must train all individuals involved in any way in recruiting, selecting, or tracking applicants for all positions on the Revised Hiring Process and Recordkeeping and

Retention procedures. The training will include instruction in: the proper implementation of the recruitment, tracking and selection procedures; neutral application of the specified qualifications and criteria that will be used at each step in the hiring process; procedures to be used to document the decisions made at each step in the hiring process; and the procedures to be used to ensure that documents are retained in accordance with 41 C.F.R. § 60-1.12(a) and Part 60-3. Goodwill will meet with management and all individuals responsible for the selection process and review its equal employment obligations and nondiscrimination policies related to hiring.

2. **VIOLATION:** Goodwill failed to maintain and have available for inspection accurate adverse impact analyses of the total selection process in accordance with 41 C.F.R §60-3.4 and 60-3.15A. Additionally, Goodwill failed to maintain and have available for inspection an accurate adverse impact analysis for each group constituting more than 2% of the labor force or 2% of the applicable workforce and of the individual components of the selection process for adverse impact in accordance with the requirements of 41 C.F.R §60-3.4 and 60-3.15A.

REMEDY: Goodwill will maintain and have available for inspection accurate adverse impact analyses on at least an annual basis for purposes of determining whether adverse impact exists against applicants based on race, sex, or ethnic groups in hiring, promotion, or 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. If adverse impact is identified in the total selection process, Goodwill 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, Goodwill will validate the component(s) in accordance with the Uniform Guidelines on Employee Selection Procedures or utilize selection procedures which do not result in adverse impact.

Part IV. REPORTS REQUIRED

1. Goodwill must submit the documents and reports described below to:

Dinorah S. Boykin, District Director
Office of Federal Contract Compliance Programs
San Antonio District Office
615 E. Houston St. Suite 340
San Antonio, Texas 78205

Goodwill must submit two progress reports covering each six month period this Agreement is in effect. The first progress report will be due on January 31, 2020 and must cover the six-month period of July 1, 2019 through December 31, 2019. The second progress report will be due on July 31, 2020 and must cover the six-month period of January 1, 2020 through June 30, 2020.

- A. Pursuant to Violation 1 in Part III of the Agreement, Goodwill will submit the following with its first progress report:

1. Supporting documentation of Goodwill's Revised Hiring Process and Recordkeeping and Retention Procedures; and
 2. Supporting documentation showing Goodwill has trained all individuals involved in any way in recruiting, selecting, or tracking applicants for all positions on the Revised Hiring Process and Recordkeeping and Retention Procedures.
- B. Pursuant to Violations 1 and 2 Part III of the Agreement, Goodwill will submit the following in each progress report:
1. The total number of job seekers, applicants and hires by job group and location and the breakdown by race, gender and ethnic group during the reporting period, including temporary, part-time, and seasonal workers who were referred to and/or assigned to work at Goodwill by a staffing firm or employment agency;
 2. For each job group, the results of Goodwill's analysis as to whether its total selection process has adverse impact, as defined in 41 CFR § 60-3.4D, on those member group set forth in 41 C.F.R § 60-3.4B (for purposes of adverse impact analysis, Goodwill will combine the data for the current report with the data from the previous report to analyze at least a 12-month period);
 3. For each case where the total selection process has an adverse impact, as defined in 41 C.F.R. § 60-3.4D, the results of Goodwill's evaluation of the individual components of the selection process for adverse impact; and/ or
 4. The actions taken by Goodwill upon determining that any component of the selection process has an adverse impact on members of groups set forth in number three.
2. Goodwill will retain all records and data pertinent to the violation 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 (or "whichever time period is longer").

Part V. SIGNATURES

This Conciliation Agreement is hereby executed by and between the OFCCP and Goodwill.

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

John W. Owen
President and Chief Executive Officer
Goodwill Industries of South TX
2961 S. Port Ave.
Corpus Christi, TX 78405-2038

Date: 6/19/2019

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

(b) (7)(C), (b) (7)(E)
Compliance Officer
San Antonio District - OFCCP

Date: 06/19/2019

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

Dinorah S. Boykin
District Director
San Antonio District - OFCCP

Date: 06/19/2019