

CONCILIATION AGREEMENT

Between

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

And

ARAKELIAN ENTERPRISES, INC.

I. PRELIMINARY STATEMENT

The Office of Federal Contract Compliance Programs ("OFCCP") is currently evaluating Arakelian Enterprises dba Athens Services' ("the Contractor" or "Athens Services") establishment located at 14048 Valley Boulevard, City of Industry, CA 91746. OFCCP found the Contractor was not in compliance with Executive Order 11246 as amended ("E.O. 11246" or "Executive Order"), its implementing regulations at 41 Code of Federal Regulations (CFR) Parts 60-1 through 60-3, and the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 (VEVRAA) and its implementing regulations at 41 CFR 60-300. In the interest of resolving the alleged violations without engaging in enforcement proceedings and in exchange for sufficient and valuable consideration described in this document, OFCCP and the Contractor enter into this Conciliation Agreement ("Agreement"), and the parties agree to all the terms therein. The attachments to this Agreement are deemed incorporated into this Agreement.

II. GENERAL TERMS AND CONDITIONS

1. In exchange for the Contractor's fulfillment of all obligations of the Agreement, OFCCP agrees not to institute administrative or judicial enforcement proceedings under E.O. 11246 and VEVRAA, based on the alleged violations described in more detail below. However, OFCCP has the right to initiate legal proceedings to enforce the Agreement itself or to correct and obtain relief for the alleged violations described herein if the Contractor violates this Agreement. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. OFCCP may review the Contractor's compliance with this Agreement. As part of such 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 the Contractor's compliance. The Contractor will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all reports and documents required.

3. This Agreement does not constitute an admission by the Contractor of any violation of or noncompliance with E.O. 11246, Section 503 of the Rehabilitation Act of 1973, as amended (“Section 503”), the Vietnam Era Veterans’ Readjustment Assistance Act of 1974 (“VEVRAA”) and their implementing regulations at 41 CFR Chapter 60, or other laws, nor has there been an adjudication on the merits regarding any such violation.
4. The Contractor understands that nothing in this Agreement relieves the Contractor of its obligation to fully comply with the requirements of E.O. 11246, Section 503, VEVRAA, their implementing regulations, and other applicable equal employment opportunity laws.
5. The Contractor 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. OFCCP and the Contractor (“the parties”) understand the terms of this Agreement and enter into it voluntarily.
7. This Agreement, including its attachments, 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, the parties will work in good faith with all parties to make the corrections.
8. If one or more provisions of this Agreement are rendered unlawful or unenforceable, the remaining provisions will remain in full force and effect.
9. This Agreement becomes effective on the day it is signed by the Regional Director for the Pacific Region, Enforcement Director, or OFCCP career Deputy Director (the “Effective Date”).
10. This Agreement will expire sixty (60) days after the Contractor submits the final progress report required in Part VIII below, unless OFCCP notifies the Contractor in writing prior to the expiration date that the Contractor has not fulfilled all of its obligations under the Agreement, in which case the Agreement is automatically extended until the date OFCCP determines the Contractor has met all of its obligations under the Agreement.
11. Each party shall bear its own fees and expenses with respect to this matter.
12. If the Contractor violates this Conciliation Agreement,
 - a. The procedures set forth at 41 CFR 60-1.34 and 41 C.F.R. 60-300.63 will govern:

- i. OFCCP will send the Contractor a written notice stating the alleged violations and summarizing any supporting evidence.
 - ii. The Contractor 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.
 - iii. If the Contractor 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 for those establishments with an open review at the time of this Agreement.
 - 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.
13. The Contractor may be subject to the sanctions set forth in Section 209 of the Executive Order, 41 C.F.R. 60-300.66, and/or other appropriate relief for violation of 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, and cannot be used as evidence that the Contractor is not in compliance with any applicable federal, state, or local laws, including but not limited to EO 11246, Section 503, and VEVRAA. Any release of claims required by this Agreement will only pertain to claims under E.O. 11246.
15. 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 either party's policies, practices, or positions 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.
16. 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.
17. This Agreement is between OFCCP and the Contractor (as collectively defined above) and does not confer any rights or benefits to any other parties, other than any successor to, parent of, or subsidiary of the Contractor.

III. ALLEGED DISCRIMINATION VIOLATIONS

1. Alleged hiring discrimination.

Based on the compliance evaluation, OFCCP alleges that the Contractor is not in compliance with the nondiscrimination requirements of the equal opportunity clause of E.O. 11246 § 202 and 41 CFR 60-1.4(a)(1). OFCCP's preliminary findings reveal the Contractor discriminated against female applicants for positions in Job Group 7 – Operatives and Job Group 8 - Laborers during the July 1, 2017 through June 30, 2018 period in Southern California. Specifically, OFCCP found statistically significant differences in the hiring rates of female applicants when compared to similarly qualified male applicants for positions in Job Groups 7 and 8, resulting in a shortfall of four (4) females in Job Group 7 and six (6) females in Job Group 8. See Attachment A2 List of Job Titles/Positions.

IV. MONETARY and NON-MONETARY REMEDIES

1. Settlement Fund

- a. **Settlement Fund Account.** Within thirty (30) days after the Effective Date, the Contractor will deposit a total of \$104,658.00 in an FDIC-insured interest-bearing account maintained by the Contractor at the prevailing interest rate. By the deadline set forth in the negotiated distribution schedule ("Timeline") in Attachment C, the Contractor will notify OFCCP when this action is complete and provide appropriate documentation, including the name and address of the FDIC-insured banking institution, the account number for the settlement fund, the date of deposit, the deposit amount, and bank records showing the deposit amount. By the dates set forth in the Timeline, the Contractor will provide OFCCP with copies of bank records showing the current balance of the account, list of transactions and the amount of accrued interest on the account. The Settlement Fund is a negotiated amount that represents estimated back pay and accrued interest. The Contractor's share of taxes on the portion representing back pay (such as federal, state and/or local taxes and FICA) is not part of the Settlement Fund. The Contractor will be responsible for any banking account fees.
- b. **Specific Settlement Fund Amounts.** The total Settlement Fund amount includes \$92,099.04 in back pay and \$12,558.96 in interest to resolve specific violation set forth above, as follows:

Job Group 7 – Operatives: \$46,915.44 in back pay and \$6,397.56 in interest

Job Group 8 – Laborers: \$45,183.60 in back pay and \$6,161.40 in interest

2. Notice Process

- a. **OFCCP and Contractor Obligations under the Notice Process.** The notice process set forth in this Agreement is intended to provide Affected Class Members, in Attachment A, a meaningful opportunity to understand their rights and obligations and act on them in a timely manner. This includes providing notice in multiple relevant languages to the affected workers and through multiple channels if appropriate and providing technical assistance to Affected Class Members seeking information about their rights and obligations under this Agreement. As specified in the Timeline and as otherwise necessary to fulfill this Agreement, the Contractor and OFCCP will regularly meet and confer in person, by phone and/or by email on the notice process to determine how best to carry out the Notice provisions of this Agreement, and to decide whether any activity, deadline or document should be modified. The parties agree not to withhold consent to reasonable modifications proposed by either party to the Notice provisions or whether any activity, deadline or document should be modified.
- b. **Notice Documents.** Contractor will distribute Notice Documents to Affected Class Members identified in Attachment A consistent with the sample Notice Documents contained in Attachment B. The Notice Documents may include a Notice, Release of Claims and Income Verification Forms. The Notice Documents may also include other materials such as standard OFCCP or U.S. Department of Labor materials, instructions or a cover sheet, or other information that better enables Affected Class Members to understand their rights and obligations and act on them in a timely manner. The Notice Documents will make clear the information about the settlement is being provided by or on behalf of the U.S. Department of Labor. As specified in the Timeline and as otherwise necessary to fulfill this Agreement, the parties will meet and confer on any reasonable modifications of the sample Notice Documents or additions to the materials distributed by Contractor, if proposed by either party.
- c. **Timeline.** Attachment C sets forth the agreed Timeline for Notice and for the parties' other obligations under this Agreement. The parties will meet and confer on any reasonable modifications to the Timeline proposed by either party.
- d. **Search for Affected Applicants/Employees.** OFCCP shall provide Contractor with complete contact information in its possession or its authority to obtain on the Affected Class Members by the date set forth in the Timeline.
- e. **Distribution of Notice to Affected Class Members.** By the date(s) set forth in the Timeline, in Attachment C, the Contractor will provide initial, and subsequent, notice by regular first-class mail or other appropriate means. The Contractor will send copies of all of the notice documents to Affected Class Members consistent with the sample notice documents contained in Attachments B-1, B-2 and B-3 (Notice, Information Verification and Employment Interest Form, and Release Form). The notice documents will make clear the information about the settlement. The notice documents will also include a postage-paid return envelope, by first class mail to the best available

mailing address for each Affected Class Member. If envelopes from the initial mail notice are returned with forwarding addresses, the Contractor will re-mail the notice documents within five (5) days of receipt of the forwarding address. The Contractor will provide a status update to OFCCP on the results of the first mailing as set forth in the Timeline. The update will include a list of all Affected Class Members, whether each individual responded to the notice, whether the notice was returned indicating a wrong address, and the date of any re-mailed notices.

Based on the response to the initial mail notice, the parties will meet and confer by the date set forth in the Timeline to assess the results of the initial mail notice and to ensure that the second round of mail notice maximizes the potential response rate. OFCCP may also conduct independent efforts to communicate with Affected Class Members about this Agreement and provide updated information to the Contractor. A second mail notice will be sent to Affected Class Members with valid addresses who fail to respond to the first mail notice unless the parties agree otherwise. The Contractor will provide a weekly status update to OFCCP on the results of the second mailing.

- f. **Notice Deadline.** The final deadline for any Affected Class Member to respond to the notice documents is set forth in the Timeline. The parties will prominently display this deadline on all materials they distribute in paper or online form regarding this Agreement, and explain that failure to respond by this deadline will result in a forfeiture of any relief provided by this Agreement.
- g. **Technical Assistance.** The parties will timely respond to any inquiries from Affected Class Members using information consistent with this Agreement and the Notice Documents and will document all inquiries and the result. OFCCP will provide contact information for individuals to contact OFCCP regarding this Agreement. The parties will prominently display this contact information on all materials they distribute in paper or online form regarding this Agreement. The Contractor will provide OFCCP contact information to any Affected Class Members with questions or concerns.
- h. **Exchange of Information Regarding Affected Class Members.** The Contractor and OFCCP will timely exchange information regarding Affected Class Members, including updated contact information and the results of any technical assistance provided.
- i. **Final List of Eligible Class Members.** The parties will establish a Final List of Eligible Class Members by the date set forth in the Timeline ("Final List"). The Final List will include all Eligible Class Members who timely respond to the Notice by the deadline set forth in the Timeline and whose eligibility is verified by OFCCP. The parties will meet and confer on any outstanding issues or questions regarding the Final List. Either party may identify potentially eligible Affected Class Members who may have been erroneously excluded from the original or any subsequent list. OFCCP shall make the final determinations of eligibility and equity adjustments to backpay but will make every effort to negotiate in good faith to resolve any dispute about the Final List.

The Contractor will provide to OFCCP information necessary to determine the Final List.

- j. **Contractor's Expenses.** The Contractor will pay all expenses associated with carrying out its duties pursuant to this Part, from funds separate and apart from the amount designated in this Agreement for the Settlement Fund.

3. Allocation

- a. **Total Amount to be Allocated.** The back pay and interest amounts of the Settlement Fund, plus any additional interest that accrues on these interest-bearing accounts, will be distributed among the Eligible Class Members as explained in this section. Individual shares will include appropriate deductions for each individual's share of payroll deductions required by law on the portion representing back pay only, such as federal (FICA/FUTA), state/local insurance premiums or taxes.
- b. **Eligible Class Members to Receive Payments.** The Settlement Fund will be distributed to all Eligible Class Members appearing on the List of Eligible Class Members who timely respond to the Notice Process as explained above, and whose eligibility is verified. OFCCP will determine the initial amount of backpay and interest for each Eligible Class Member, as well as the amount of backpay and interest for a second distribution, where necessary.
- c. **Payments to Eligible Class Members.** OFCCP will provide the Contractor a list of the payment amount for each Eligible Class Members on the Final List by the date set forth on the Timeline. The Contractor will issue checks or make electronic payments to each Eligible Class Member in the stated amount, along with appropriate tax reporting forms (such as W-2 and IRS Form 1099) by the date set forth on the Timeline. OFCCP will receive timely documentation of all payments made and any payments returned undelivered or any checks not cashed, as set forth on the Timeline. Any check that remains uncashed 180 days after the initial date the check was mailed to the Eligible Class Members will be void. With respect to any uncashed funds, the Contractor will make a second distribution to all Eligible Class Members who cashed their first check. The second payment will consist of back pay and interest in the same proportion as the first payment. If any checks remain uncashed 180 days after the second distribution, the Contractor will deposit the monies within sixty (60) days with the California State Controller, Unclaimed Property Division, or with the equivalent state agencies of the last known addresses for the Eligible Class Members, in accordance with any and all applicable laws and regulations. No portion of the settlement fund shall revert back, directly or indirectly, to the Contractor or any affiliate.
- d. **Tax Payments, Forms and Reporting.** The Contractor will pay the employer's share of social security withholdings, and any other tax payments required by law from additional funds separate from the Settlement Fund. The Contractor shall provide to each Eligible Class Member an IRS Form W-2 for that portion of the payment

representing back pay and an IRS Form 1099 for that portion of the payment representing interest. These IRS forms will be provided to the Eligible Class Members either at the time of payment, electronically or with the settlement checks, or at the end of the year. No Eligible Class Member will be required to complete a W-4 or W-9 in order to receive payments under this settlement.¹

- e. **Documentation of Payments.** By the deadline set forth in the Timeline, the Contractor will provide OFCCP with copies of cancelled checks or electronic documentation of all payments to Eligible Class Members, including the amounts paid, the date payment was sent, the date payment was received or the check cashed, and any uncashed or returned checks. In the event of a second distribution, the Contractor will provide a similar documentation on the second distribution.

4. Nonmonetary Relief

a. Job Opportunities

As job openings occur in Job Group 7 – Operatives and Job Group 8 – Laborers, the Contractor shall make bona fide job offers of full-time employment to qualified applicants who are listed as Eligible Class Members, who have expressed interest in employment through the Class notification process, and who are not currently employed in the position (“Eligible Applicants”) until: four (4) females are offered employment into Job Group 7 and six (6) females are offered employment into Job Group 8, or until the list of Eligible Class Members expressing an interest in employment is exhausted, whichever occurs first. Until that time, these Eligible Applicants will have priority over all other candidates for hire into Job Group 7 and Job Group 8 positions. See Attachment A2 List of Job Titles/Positions. Eligible Class Members will be considered based on the date of their original application.

Eligible Class Members must meet the minimum qualifications of the positions as of the date the hiring decision is being made. In addition, Eligible Class Members must be able to pass any pre-employment screenings, such as background checks, physical job qualifications that are job-related and consistent with business necessity, and/or drug screens, that are in place as of the date the hiring decision is being made. Any minimum qualifications and pre-employment screenings in place must comply with standing regulations and laws.

Eligible Class Members will be allowed at least two weeks to report for work after receiving a written job offer from the Contractor. The Eligible Class Members hired pursuant to this Agreement must be paid the current wage rate for those positions and must be provided with the same benefits and opportunity to earn overtime and shift differentials as other similar positioned employees. In addition, all Eligible Class Members hired must receive retroactive seniority using the date of their original

¹ IRS guidance states that an employer can assume a single deduction in the absence of a W-4 form. See 26 CFR 31.3402(f)(2)-1(a).

application as their hire date for all purposes, including job retention, job bidding and benefits.

The Contractor will document the job offers and hires to OFCCP, including job offers made, reasons for rejection, and Eligible Applicants hired, as well as the reasons for any termination of their employment whether voluntary or involuntary, during the monitoring period as set forth in Section VI below.

b. Hiring Process

- i. Eliminate Allegedly Discriminatory Hiring Procedures: The Contractor agrees to comply with all OFCCP regulations concerning hiring procedures, including 41 C.F.R. § Part 60-3. The Contractor will not use any hiring procedure that has an adverse impact, as defined in 41 C.F.R. § 60-3.4(D), on applicants of a particular race or gender unless it properly validates the procedure pursuant to these regulations.
- ii. Review and Revisions Required: The Contractor will establish or revise, in writing, the practices, policies and procedures, including the use of non-validated assessments that show adverse impact, it uses to select applicants (hereinafter "Revised Hiring Process"). Specifically, the Contractor will:
 - (a) Create a job description and hiring process which describes the essential functions; the minimum qualifications including required skills, abilities and certifications; and the criteria used in each step of the hiring process, including any application screens, interviews, tests, credit checks, review of criminal history, reference checks, testing, or other hiring procedure;
 - b) Develop specific, job-related qualification standards that reflect the duties, functions, and competencies of the position to minimize the potential for race and/or gender stereotyping or other unlawful discrimination;
 - c) Ensure all policies and qualification standards are uniformly applied to all applicants; and
 - d) List clearly on its recruiting materials and job postings the minimum qualifications, including required skills and certifications.

c. Training

Within six (6) months of the Effective Date of this Agreement, the Contractor must train all individuals involved in any way in recruiting, selecting, or tracking applicants on the Revised Hiring Process. The training will include instruction in: the proper implementation of the recruitment, tracking and hiring 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 41 C.F.R. § Part 60-3. The Contractor will meet with management and all individuals responsible for the hiring process and review its equal employment obligations and nondiscrimination policies related to hiring.

d. Enhanced Compliance Provisions

i. The Contractor will strive in good faith to increase the pipeline of qualified female employees into Job Group 7 and 8 positions that have historically been filled by males at this facility. Initiatives will include, but are not limited to, the following:

a) By the due date of the 2nd Progress Report, the Contractor will sponsor programs reviewed and approved by the Department of Labor's Employment & Training Administration (ETA), and other programs at the Company's discretion, targeted to assist, attract, and develop the skills of female applicants and employees for certifications and training needed to increase the pipeline of qualified female applicants and employees to potentially be employed by Athens Services in the Job Group 7 and 8 positions. See Attachment A2 List of Job Titles/Positions. Contact information for ETA's Office of Apprenticeship is as follows:

Douglas Howell, State Director
U.S. DEPARTMENT OF LABOR
Employment and Training Administration
Office of Apprenticeship
801 I Street, Room 274
Sacramento, CA 95814
Phone: 916-414-(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)@dol.gov

b) By the due date of the 2nd Progress Report, the Contractor will, if feasible implement apprenticeship programs for female employees to qualify for Job Group 7 and 8 positions.

c) By the due date of the 2nd Progress Report, the Contractor will engage in outreach in an effort to increase enrollment of current female employees and applicants to approved certification programs in order to potentially qualify for Job Group 7 and 8 positions.

d) By the due date of the 1st Progress Report, the Contractor will coordinate with the local Employment Service Delivery System (ESDS) to solicit and obtain female applicants who are looking to return to or begin employment in the Job Group 7 and 8 positions. The Contractor will attempt to facilitate the training

and certifications needed to increase the pipeline of female applicants to potentially be employed by Athens Services in the Job Group 7 and 8 positions.

- e) By the due date of the 2nd Progress Report, the Contractor will, if feasible, develop a mentorship program to assist those females hired into Job Group 7 and 8 positions in an effort to retain their employment.

V: TECHNICAL VIOLATIONS AND REMEDIES

VIOLATION 1: OFCCP alleged that during the period of July 1, 2017 to June 30, 2018, the Contractor did not conduct appropriate audits of its hiring practices as required by 41 CFR 60-2.17(b), (d), and 60-3.4. Specifically, the Contractor relied heavily on employee referrals to fill open positions in Job Groups 7 and 8. This referral practice resulted in a disproportionate number of male applicants.

REMEDY 1: The Contractor will conduct appropriate hiring analyses as required by 41 CFR 60-2.17 and 60-3.4 on at least an annual basis. These analyses will be done by job title by gender. If statistically significant disparities are identified in the total selection process, the Contractor will evaluate each individual component of the selection process for adverse impact. If statistically significant disparities are found to exist in any of the individual components of the selection process, the Contractor will investigate the cause of the disparities and take appropriate forward-looking action, such as providing refresher training, making changes to the hiring process, validating each such component in accordance with the Uniform Guidance on Employment Selection Procedures, or utilizing selection procedures which do not result in adverse impact. The Contractor will provide reports to OFCCP to verify compliance.

VIOLATION 2: The Contractor denied OFCCP access to employment records, as required by 41 CFR 60-1.43. Specifically, the Contractor failed to provide complete employee-level compensation data as specified in Item 19 of the Scheduling Letter's Itemized Listing. The Contractor provided compensation data for employees at the City of Industry location, but failed to provide compensation data for the remaining employees covered by the AAP.

REMEDY 2: The Contractor will furnish all information and reports required by E.O. 11246 and by the rules, regulations and orders of the Secretary of Labor, and will permit OFCCP access to its books, records, and accounts for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

VIOLATION 3: During the period July 1, 2017, through June 30, 2018, the Contractor failed to preserve all personnel or employment records 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 CFR § 60-1.12(a). Specifically, the Contractor failed to preserve all documents created under its selection system for Job Group 7 – Operatives and

Job Group 8 – Laborers, including applications, resumes, and other records related to individual phases of its overall hiring procedures.

REMEDY 3: The Contractor agrees to preserve and maintain all personnel and employment records 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 accordance with the requirements of 41 CFR § 60-1.12(a).

VIOLATION 4: During the period July 1, 2017, through June 30, 2018, the Contractor failed to prepare and maintain an affirmative action program for protected veterans at each establishment within 120 days of the commencement of a contract, and update the program annually, in violation of 41 CFR 60-300.40(b). Accordingly, the Contractor failed to comply with any of its affirmative action program obligations set forth in Subpart C of the regulations, 41 CFR 60-300.40-45.

REMEDY 4: The Contractor will prepare and maintain an affirmative action program for protected veterans at each establishment. The affirmative action program will set forth the Contractor's policies and procedures in accordance with 41 CFR 60-300.40-45. This affirmative action program may be integrated into or kept separate from other affirmative action programs. The Contractor will review and update annually its affirmative action program pursuant to 41 CFR 60-300.40(c), and will comply with all obligations set forth in Subpart C of the regulations, 41 CFR 60-300.40-45.

VIOLATION 5: During the period July 1, 2017, through June 30, 2018, the 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. Specifically, the Contractor failed to list all employment openings, which includes all positions except executive and senior management, those positions that will be filled from within the Contractor's organization, and positions lasting three days or less.

REMEDY 5: The Contractor will 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 the Contractor, as required by 41 CFR 60-300.5(a)2-6. With its initial listing, and as subsequently needed to update the information, the Contractor will 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's 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, the Contractor shall provide updated information simultaneously with its next job listing.

VI. REPORTS REQUIRED DURING OFCCP MONITORING PERIOD

1. **Recordkeeping.** The Contractor agrees to retain all records relevant to the alleged violations cited in this Agreement and the reports submitted in compliance with this Agreement. These records include underlying data and information such as Human Resources Information System (HRIS) and payroll data, job applications and personnel records, and any other records or data used to generate the required reports. The Contractor will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.
2. **Confidentiality.** The Contractor and OFCCP have a common interest in the information provided in the reports pursuant to this Agreement. To the extent any of the reports the Contractor provides in accordance with this Agreement are customarily kept private or closely-held, and the Contractor believes should remain confidential under the Freedom of Information Act (FOIA) in the event of a FOIA request, the 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, the extent possible under the law.
3. **Regular Contractor Reports.** The Contractor will submit all reports via email to District Director Agnes Huang at (b) (6), (b) (7)(C)@dol.gov and Senior Compliance Officer (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C)@dol.gov.
 - a. **Schedule and Instructions.** The Contractor agrees to furnish OFCCP with the following reports during the Monitoring Period according to the following schedule:
 - Progress Report 1:** Due on January 15, 2025, covering the period of July 1, 2024 – December 31, 2024.
 - Progress Report 2:** Due on July 15, 2025, covering the period of January 1, 2025 – June 30, 2025
 - Progress Report 3:** Due on July 15, 2026, covering the period of July 1, 2025 – June 30, 2026
 - b. **Reports on Job Offers.** In each Progress Report, the Contractor will report on all job offers and hires in Job Groups 7 and 8 made to date pursuant to the Agreement until all of the job opportunities are filled or the list of Eligible Applicants is exhausted, whichever comes first. See Attachment A2 List of Job Titles/Positions. This includes:
 - i. Documentation of all job offers made to Eligible Applicants, including the names of individuals offered employment, the date of their application, the date of the offer, the date the offer was accepted or rejected, the starting date, and the starting rate of pay.
 - ii. Documentation of Eligible Applicants who expressed interest in employment, but who did not complete the application process, including the names of these

individuals, the date of their application, if any, and the reason for not completing the application process, if known. Included on this list are Eligible Applicants who did not receive offers of employment because the Contractor already satisfied its contractual obligation related to making offers of employment. See Section IV.4.a.

- iii. Documentation of Eligible Applicants who were hired and their employment terminated during the life of this Agreement, and the reason for the termination.
- iv. Documentation of the number of available positions remaining to be filled, if any, and the number of Eligible Applicants still on the list.
- v. If Contractor fails to meet its hiring obligations under this Agreement by the close of the Monitoring Period, OFCCP reserves its rights under Section II, Paragraphs 9 and 10 of this Agreement to extend the monitoring period or to pursue enforcement remedies.

c. Enhanced Compliance Provisions

- i. In each progress report, the Contractor will submit documentation to confirm the efforts taken to increase enrollment of female employees and applicants to approved programs for females into the Job Group 7 and 8 positions as set for in Section IV.4.d. above.
 - ii. In each progress report, the Contractor will submit documentation of its efforts in coordinating with the local Employment Service Delivery System (ESDS) to solicit and obtain female applicants who are looking to return or begin employment in the Job Group 7 and 8 positions. Through these efforts, the Contractor will facilitate necessary trainings and certifications to assist and increase the pipeline of female applicants and employees to be employed by the Contractor in the Job Group 7 and 8 positions.
 - iii. By the due date of the 2nd Progress Report, the Contractor will submit documentation of its efforts to develop a mentorship program to assist females being hired and retained.
- d. Applicant Tracking Data.** For the First Progress Report, Contractor will submit an applicant and hiring log for the months following the Effective Date of this Agreement. Subsequent reports shall be for periods covered by the 2nd and 3rd Progress Reports. The logs will cover all positions in Job Groups 7 and 8, and include applicant ID, application date, race, gender, requisition number applied to, job title, location of job, offer date, and hire date. If the candidate is disqualified, the reason for the decision should be specified.
- d. Internal Hiring Audits.** For each Progress Report, the Contractor will provide its hiring audits for Job Groups 7 and 8, including any phased analyses where overall hiring disparities were found.

- e. **Revised Hiring Process.** With the First Progress Report, the Contractor must submit a copy of the revised hiring processes described in Part 4 Paragraph 4.b.ii. of this Agreement.
- f. **Training.** With the First Progress Report, the Contractor must submit documentation that all managers, supervisors and other personnel involved in recruiting, selecting, or tracking applicants have been trained on the revised hiring processes. The documentation must include the dates of the training, the names and job titles of all attendees, an outline of the topics discussed in the training, and the name and job title of each person who conducted the training.
- g. **Item 19 Compensation Data.** With the First Progress Report, the Contractor must submit employee level compensation data for all employees (including but not limited to full-time, part-time, contract, per diem or day labor, and temporary employees) as of the date of the organizational display or workforce analysis. The Contractor must provide gender and race/ethnicity information and hire date for each employee as well as job title, EEO-1 Category and job group in a single file.
 - i. For all employees, compensation includes base salary and/or wage rate, and hours worked in a typical workweek. Other compensation or adjustments to salary such as bonuses, incentives, commissions, merit increases, locality pay or overtime should be identified separately for each employee.
 - ii. The Contractor may provide any additional data on factors used to determine employee compensation, such as education, past experience, duty location, performance ratings, department or function, and salary level/band/range/grade.
 - iii. Documentation and policies related to compensation practices of the contractor should also be included in the submission, particularly those that explain the factors and reasoning used to determine compensation.
- h. **VEVRAA.** With the Second Progress Report, the text portion of the Contractor's affirmative action program for protected veterans in accordance with the regulations found at 41 C.F.R. 60-300.40.

For the Second and Third Progress Report, Contractor will provide:

- iv. The Contractor's data collection as defined by 41 CFR 60-300.44(k), showing the total number of applicants for all jobs, the total number of protected veteran applicants, the total number of applicants hired, the total number of protected veteran applicants hired, the total number of job openings, and the total number of jobs filled.
- v. A listing of protected veterans who have requested a reasonable accommodation to include whether the request was approved or denied and the reason it was denied.

- vi. Results of the evaluation of the effectiveness of outreach and recruitment efforts that were intended to identify and recruit qualified protected veterans as described in 41 CFR § 60-300.44(f).
 - vii. Documentation of the hiring benchmark adopted, including the methodology used to establish it if using the five factors described in 41 CFR § 60-300.45(b)(2).
 - viii. The Contractor's assessment of personnel processes, as required by 41 CFR § 60-300.44(b), including a description of the review and any actions taken or changes made as a result of the assessment.
 - ix. The Contractor's assessment of physical and mental qualifications, as required by 41 CFR § 60-300.44(c), including the schedule for the review and any actions taken or changes made as a result of the assessment.
 - x. Documentation showing the Contractor listed all employment openings as they occurred with an appropriate ESDS (either the state workforce agency job bank or a local ESDS) where the openings occurred, in a manner and format that allowed the ESDS to provide priority referrals of protected veterans to the Contractor. This documentation shall include a list of all openings that occurred during the reporting period, in addition to documentation showing that the Contractor listed their openings with ESDS as required by 41 CFR 300.5(a)2-6.
- 4. Monetary Remedies.** In accordance with the Timeline (Attachment C), the Contractor shall supply all information and documentation necessary to ensure that the monetary remedies of this Agreement are carried out.
- 5. 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 the Contractor's final progress report as set forth in Part II, Paragraph 10 above. If OFCCP fails to notify the Contractor in writing within sixty (60) days of the date of the final progress report that the 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 the 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 the Contractor has met all of its obligations under the Agreement.

IX. SIGNATURES

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

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Arakelian Enterprises, Inc. dba Athens Services.

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

(Signature – Contractor's
Top Establishment Official)

Name GARY M CLIFFORD II
Title SENIOR EXECUTIVE VICE PRESIDENT
Arakelian Enterprises, Inc. dba Athens Services
City of Industry, California

DATE: MAY 21, 2024

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

Jane Suhr
Regional Director
Pacific Region

DATE: 5/29/24

Attachments

- A. A1 – List of Affected Class Members
A2 – List of Job Titles / Positions
- B. Notice Documents
B-1 Notice
B-2 Information Verification and Employment Interest Form
B-3 Release Form
- C. Timeline

Attachment A1: List of Affected Class Members

	Job Group 7 - Operatives		Job Group 8 - Laborers
1	(b) (6), (b) (7)(C)	1	(b) (6), (b) (7)(C)
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	
21		21	
22		22	
23		23	
24			
25			
26			
27			
28			
29			
30			
31			

Attachment A2: List of Job Titles / Positions –

Job Group 7

Bin Delivery Driver - Class A/B
Driver - Class A/B
Driver - Class C
Porter - Class C
Roll-Off Driver - Class A/B
Sweeper Driver - Class A/B

Job Group 8

Bin Washer
Driver Helper - Class C
Laborer - Landfill/Transfer
Maintenance Cleaner - MRF
Shop Utility Worker-MRF
Truck Washer

Attachment B1: Notice

You may be eligible to receive money because of a legal settlement between Arakelian Enterprises (dba Athens Services) and the U.S. Department of Labor

We are writing to provide information about a legal settlement between the U.S. Department of Labor and Arakelian Enterprises dba Athens Services ("Athens Services") that may benefit you. This settlement involves claims of discrimination in selection practices under Executive Order 11246. Athens Services denies any violation of Executive Order 11246 and there has not been any finding that Athens Services violated any laws. Our records show that you may be one of the class members covered by the settlement. If you take the steps described in this Notice by the deadline below, you may be eligible for a payment of back wages and a job opportunity with Athens Services.

WHAT IS THIS SETTLEMENT ABOUT?

The U.S. Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) conducted a review of Athens Services' selection practices during July 1, 2017 through June 30, 2018. OFCCP is the government agency responsible for enforcing nondiscrimination and equal employment opportunity through affirmative action requirements that apply to federal contractors such as Athens Services. OFCCP alleges that Athens Services discriminated against female applicants in hiring. Athens Services denies those claims. Ultimately, OFCCP and Athens Services have agreed to resolve the issue through a Conciliation Agreement. A Conciliation Agreement is a legal document that explains the terms of an agreement between the Contractor and OFCCP.

As a result, affected class members may be eligible for back pay and job offers.

ARE YOU AFFECTED?

If you are female and applied for Operative and Laborer positions with Athens Services, but were not hired, you are covered by this settlement.

WHAT DOES THIS MEAN FOR YOU?

Because you applied for employment during the relevant time frame, and were not selected, this settlement may provide you with some specific benefits:

- (1) **You may be eligible to receive a payment of at least \$1,568.03** (before adjustments for taxes and payroll contributions). This amount represents your share of back wages and other payments Athens Services is making to settle the matter. The final amount you may receive will be reduced by deductions for items such as income tax withholding and Social Security contributions.

- (2) **You may be eligible for a job offer.** Athens Services may be making job offers to some of the individuals receiving this notification, if qualified. It is not guaranteed that you will receive a job offer.

To get these benefits, you will need to release or agree to give up certain legal claims and sign the enclosed forms.

WHAT IS YOUR NEXT STEP?

You should read this Notice and the enclosed Interest and Release forms.

Please do not ignore these forms or throw them away. Otherwise, you could miss an opportunity to receive money or a job offer from Athens Services.

To be eligible for a payment and a job offer, you must complete and sign **both** of the enclosed forms:

- (1) the Information Verification and Employment Interest form and
- (2) the Release of Claims Under Executive Order 11246 form

and return them to:

[Name and address for return of forms or instructions/email for electronic submission]

DEADLINE: The forms must be received by [INSERT specific date for First or Second Notice deadline date in Attachment C]

You may receive some or all of these benefits only if these forms confirm that you are one of the individuals covered by the settlement. After correct completion and submission of these forms, a final decision will be made about your eligibility.

If you fail to return both of the required forms by the deadline above, or if your forms do not verify your eligibility, you will not be eligible to receive any money, consideration for job opportunities, or any other benefits that are available under the settlement.

HOW CAN YOU GET MORE INFORMATION?

If you have any questions, you may contact Senior Compliance Officer (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C)@dol.gov. You can also visit the U.S. Department of Labor Web site about this case at www.dol.gov/ofccp/cml.

Attachment B-2:

INFORMATION VERIFICATION AND EMPLOYMENT INTEREST FORM

You must complete this form in order to be eligible for the monetary payment and/or employment opportunities under the terms of the Conciliation Agreement (“Agreement”) between Arakelian Enterprises dba Athens Services and the U.S. Department of Labor’s Office of Federal Contract Compliance Programs (“OFCCP”). Please print legibly, except for the signature.

Name: _____

Address: _____

Telephone Numbers:

Home _____ Cell _____ Work _____

Email Address: _____

Notify Athens Services at the address below if your address or phone number changes within the next twelve (12) months.

INSERT

CLAIMS ADMINISTRATOR

ADDRESS

For purposes of this settlement, it is necessary to verify your gender:

- Male
- Female

Please indicate below whether you are currently interested in employment in a position with Athens Services (see Attachment A2 List of Job Titles/Positions); and if you have previously worked for Athens Services. If you complete, sign, and return this Information Verification and Employment Interest Form, you remain eligible for the monetary payment whether or not you are interested in employment at this time. Please check all that apply.

- Yes, I am interested in employment with Athens Services.
- No, I am not currently interested in employment with Athens Services.

[] I have previously worked for Athens Services:

Name at time of employment: _____

Location: _____

Dates of employment: _____

IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENTS TO ATHENS SERVICES BY DATE, YOU WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT OR TO BE CONSIDERED FOR A JOB OFFER UNDER THE TERMS OF THIS AGREEMENT.

I, _____, certify the above is true and correct.
(Print name)

Signature

Date

Attachment B-3: Release Form

RELEASE OF CLAIMS UNDER EXECUTIVE ORDER 11246

PLEASE CAREFULLY READ THE ENCLOSED NOTICE BEFORE COMPLETING THIS RELEASE. YOU MUST RETURN A SIGNED RELEASE TO RECEIVE MONEY FROM THE SETTLEMENT

This Release of Claims under Executive Order 11246 ("*Release*") is a legal document. The document states that in return for Arakelian Enterprises, Inc. dba Athens Services ("the Contractor" or "Athens Services") paying you money, you agree that you will not file any lawsuit against the Contractor for alleged hiring discrimination under Executive Order 11246. It also says that the Contractor does not admit it violated any laws enforced by U.S. Department of Labor, Office of Federal Contract Compliance Programs ("OFCCP"). This Release says you had sufficient time to look at the document, to talk with others about the document, including an attorney if you choose, and that no one pressured you into signing the document. Finally, it says that if you do not sign and return the document by a certain date, you will not receive any money.

In consideration of payment of at least \$1,568.03 (less adjustments required by law) by Athens Services, to which I agree is acceptable, I (print name) _____ agree to the following:

I.

By signing this Release, I agree that I have been made whole for any claim that could have been brought under Executive Order 11246 relating to the Contractor's hiring practices through the Effective Date of this Release. I hereby release Athens Services, its predecessors, successors, related entities, parents, subsidiaries, affiliates and organizations, and its shareholders, owners, directors, officers, employees, agents, and assigns from any claim for additional make whole relief obtained through any action based on or involving the Contractor's hiring practices through the effective date of this Release that could have been brought under Executive Order 11246. Here, make whole relief is defined as the total earnings lost, and includes, but is not limited to: salary or wages, overtime, premium pay and shift differentials, incentive pay, raises, bonuses, lost sales commissions, cost-of-living increases, tips, medical and life insurance, fringe benefits, pensions, stock options, and awards.

II.

I understand that Athens Services does not agree that it treated me unlawfully or unfairly in any way and that Athens Services entered into a Conciliation Agreement with OFCCP and agreed to make the payment described above to resolve alleged disparities in hiring and to resolve the matter without further legal proceedings in the compliance reviews initiated by OFCCP related to the facilities covered by the Conciliation Agreement. I further agree that the payment of the aforesaid

sum by Athens Services to me is not to be construed as an admission of any liability by Athens Services.

III.

I declare that I have read this Release and that I have had a full opportunity to consider and understand its terms and to consult with my advisors and seek legal advice. I further declare that I have decided of my own free will to sign this Release.

IV.

I understand that if I do not sign this Release and return it to Athens Services or the claims processor by the deadline, I will not be entitled to receive any payment (less deductions required by law).

I have signed this document of my own free will.

Signature: _____

Date: _____

Printed Name: _____

Attachment C: Timeline

The dates and actions contained in the chart below provide the primary deadlines for taking necessary actions in accordance with the Conciliation Agreement (“Agreement”) entered into by Arakelian Enterprises dba Athens Services (“Athens Services”) and the Office of Federal Contract Compliance Programs (“OFCCP”). For a complete list of all obligations, please refer to the Agreement itself. All deadlines are end dates. Either party is free to perform prior to the deadlines identified herein. Should Athens Services or OFCCP wish to amend these deadlines, the parties will confer in good faith prior to initiating any enforcement proceeding. The “Effective Date” refers to the date that the Agreement is signed by the Regional Director for the Pacific Region, Enforcement Director, or OFCCP career Deputy Director.

	Effective Date of Conciliation Agreement:		
	ACTIVITY	Due Date	Number of Calendar Days from Effective Date (ED)
1	Within thirty (30) days after the Effective Date, Athens Services will notify OFCCP that settlement amount has been set aside	6/28/2024	30
2	Athens Services will notify the affected class members shown on Attachment A (Affected Class) (first mailing)	6/28/2024	30
3	Athens Services will provide OFCCP with an interim report identifying the individuals in the Affected Class whose notice was returned as undeliverable.	7/15/2024	45
4	Athens Services will provide OFCCP with a final list identifying the individuals in the Affected Class whose notice was undeliverable and/or who have not responded to the notice documents.	8/12/2024	75
5	Parties will confer to assess the results of the initial Notice Document mailing and to ensure that the second round of Notice Document mailing maximizes the potential response rate.	8/12/2024	75
6	OFCCP will then attempt to obtain and provide updated addresses for individuals whose mail was returned to Athens Services.	8/27/2024	90

7	Athens Services agrees to mail by first-class mail a second Notice to Affected Class, Information Verification and Employment Interest Form, Release of Claims Under EO 11246, and a postage paid return envelope to all individuals who did not respond to the first mailing, including for whom updated addresses were obtained by OFCCP.	9/11/2024	105
8	Deadline for affected class members to respond to the mailings.	10/11/2024	135
9	Athens Services will provide OFCCP a list of the Eligible Class Members (individuals who returned the Information Verification Form and Release by the deadline)	10/28/2024	150
10	OFCCP will approve the final list of Eligible Class Members or discuss with Athens Services any issues necessary to finalize the list, such as inclusion or exclusion of certain individuals.	11/11/2024	165
11	First Distribution: Athens Services will disburse the monetary settlement after OFCCP approves the final list of Eligible Class Members.	11/25/2024	180
12	Athens Services will pay the Internal Revenue Service (IRS) the employer's share of social security withholdings and will mail each Eligible Class Member an IRS W-2 Form reporting the portion of the payment representing back pay and an IRS Form 1099 for the portion of the payment representing interest.	Time of payment or end of year	
13	Athens Services will provide OFCCP with a list of all cashed and uncashed checks.	12/26/2024	210
14	OFCCP will attempt to locate Eligible Class Members who did not cash their check. OFCCP will then provide Athens Services with information for Eligible Class Members who did not cash their check.	1/9/2025	225
15	Athens Services will mail replacement checks to the Eligible Class Member(s) who did not receive the initial payment.	1/24/2025	240

16	Any uncashed checks from the First Distribution will be void after 120 days. Funds from uncashed checks will go back into the settlement fund.	3/25/2025	300
17	Second Distribution: Athens Services will make second distribution of checks to Eligible Class Members 20 days after initial checks were void, if applicable.	4/14/2025	320
18	Progress Report 1	1/15/2025	
19	Progress Report 2	7/15/2025	
20	Progress Report 3	7/15/2026	