

## CONCILIATION AGREEMENT

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

And

ARAMARK UNIFORM SERVICES  
1212 North Stoughton Rd.  
Madison, Wisconsin 53714

### **PART I. PRELIMINARY STATEMENT**

The Office of Federal Contract Compliance Programs ("OFCCP") evaluated Aramark Uniform & Career Apparel, LLC doing business as Aramark Uniform Services' ("Aramark") facility located at 1212 N Stoughton Rd., Madison, WI 53714 beginning on May 8, 2014. OFCCP found that Aramark was not in compliance with the Executive Order 11246, as amended ("E.O. 11246"), and its implementing regulations at 41 C.F.R. Section(s) 60-1, 60-2, and 60-3.

OFCCP notified Aramark of the specific violations found and the corrective actions required in a Notice of Violation issued on July 28, 2017. 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 Aramark enter into this contract ("Conciliation Agreement" or "Agreement") and agree to all terms stated below.

### **PART II. GENERAL TERMS AND CONDITIONS**

1. In exchange for Aramark'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 Aramark violates this Agreement. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. Aramark agrees that OFCCP may review its compliance with this Agreement at the Madison, WI establishment. As part of such review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. Aramark will permit access to its premises at the Madison, WI establishment during normal business hours for these purposes, and will provide OFCCP with all reports and documents requested.
3. Aramark understands that nothing in this Agreement relieves Aramark of its obligation to fully comply with the requirements of E.O. 11246, Section 503 of the Rehabilitation Act of 1973, as amended ("Section 503"), and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended ("VEVRAA"), their implementing regulations, and other applicable equal employment laws.

4. Aramark 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 Deputy Regional Director of the Midwest Region (the “Effective Date”).
9. This Agreement will expire sixty (60) days after Aramark submits the final progress report required in Part IV (D), below, unless OFCCP notifies Aramark in writing prior to the expiration date that Aramark has not fulfilled all of its obligations under the Agreement, in which case the Agreement is automatically extended until the date that OFCCP determines Aramark has met all of its obligations under the Agreement.
10. If Aramark violates this Agreement,
  - A. The procedures set forth at 41 C.F.R. § 60-1.34 will govern:
    - 1) If OFCCP believes that Aramark violated any term of the Agreement while it was in effect, OFCCP will send Aramark a written notice stating the alleged violations and summarizing any supporting evidence.
    - 2) Aramark 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 Aramark 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, and OFCCP may seek a full remedy of the violations.
    - 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. Aramark 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 Aramark of any violation of E.O. 11246, nor has there been an adjudicated finding that Aramark violated any laws.

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.

### **PART III. SPECIFIC VIOLATIONS AND REMEDIES**

#### **1. HIRING DISCRIMINATION**

- A. STATEMENT OF VIOLATION. OFCCP alleges that Aramark discriminated against 264 male applicants based on gender (male class members) in the Operatives Job Group, at the Madison, Wisconsin facility. The alleged discrimination occurred during the period of May 7, 2012 through May 6, 2014. Aramark’s failure to afford male applicants equal employment opportunities in hiring constitutes a violation of Section 202, Paragraph 1 of Executive Order 11246, as amended, and 41 C.F.R. § 60-1.4(a)(1).

Specifically, OFCCP’s analysis of records provided by Aramark for the period of May 7, 2012 through May 6, 2014, revealed that from a pool of (b) (7)(E) male applicants, Aramark hired (b) (7)(E) males for positions within the Operatives job group. During the same period from a pool of (b) (7)(E) female applicants, Aramark hired (b) (7)(E) females for positions within the Operatives job group. This disproportionate hiring pattern is statistically significant at the level of (b) (7)(E) standard deviations, with a shortfall of 29 male hires. Absent discrimination, it would be expected that an additional 29 male applicants would have been hired.

- B. REMEDY FOR AFFECTED CLASS: Aramark agrees to: (a) make all reasonable efforts to locate all 252<sup>1</sup> class Members (Attachment A) and provide all located male class members with a make whole remedy, including back pay with interest; (b) make job offers to male class members until 29 male class members are hired, or the male class member list is exhausted, into the Operatives job group at the current rate of pay; (c) prevent retaliation, harassment, and any other form of reprisal or adverse action to any male class member based on or in relation to the terms of this remedy; (d) review Aramark’s selection process and eliminate those practices that led to the discrimination; (e) develop procedures to review at least annually, the selection process for ensuring nondiscrimination, and (f) take action to assure that this violation ceases and does not recur.

1. Class members excludes applicants who applied more than once during the period of May 7, 2012 through May 6, 2014.

1. Notice. Within 30 days of the effective date of this agreement Aramark will notify the male class members listed in Attachment A (“Class Members”) of the terms of this Agreement. Aramark will use the last known address on file for each class member which OFCCP will supply. Aramark shall include the Notice to Affected Class Members (Attachment B, hereinafter “Notice”), Information Verification & Employment Interest Form (Attachment C, hereinafter “Hiring Interest Form”), Release of Claims Form, (Attachment D, hereinafter “Release”), and postage paid return envelope.

Each class member (or his next of kin or legal representative in the event he is deceased) shall be instructed to respond within 60 days of the effective date of this agreement. Within 75 calendar days of the effective date of this agreement Aramark will provide OFCCP with a list of all 252 class members in Microsoft Excel that includes the following: First Name, Last Name, Address Mailed to, City, Zip Code, social security number (if known), deliverable or undeliverable, Attachment C received by Aramark – Y/N, Attachment C acceptable – Y/N, Attachment D received by Aramark – Y/N, Attachment D acceptable – Y/N.

For those class members who did not respond, or the mailing was returned as undeliverable, OFCCP will then attempt to obtain and provide updated addresses to Aramark within 90 calendar days of the effective date of this agreement. On or before 105 calendar days of the effective date of this agreement, Aramark agrees to re-mail a second Notice, Interest Form, and Release and postage paid return envelope to all individuals for whom updated addresses were obtained. Within 150 days Aramark will provide OFCCP with a list of all 252 class members in Microsoft Excel that includes the following: First Name, Last Name, Address Mailed to, City, Zip Code, social security number (if known), deliverable or undeliverable, Attachment C received by Aramark – Y/N, Attachment C acceptable – Y/N, Attachment D received by Aramark – Y/N, Attachment D acceptable – Y/N.

If a class member responds to either the first or second mailing and submits an incomplete response (including, but not limited to, one where a Social Security number was not provided) Aramark must notify OFCCP by the following Monday of each week after receiving the incomplete response, and OFCCP will follow up with that individual to attempt to obtain the missing information. Aramark will provide this notification to OFCCP by emailing Assistant District Director Tim Roark at (b) (7)(C), (b) (7)(E)@dol.gov. In that email Aramark, will specify the deficiencies and attach an electronic copy of the incomplete paperwork.

2. Eligibility. The total number of class members to receive payment and/or future employment consideration shall consist of those individuals who

responded to the first or second mailing and returned signed copies of the applicable attachments, including an unaltered Release. Any individuals listed on Attachment A who did not respond within 150 days of the effective date of this agreement, shall be ineligible to receive a portion of the Settlement Fund or job offer.

3. Monetary Settlement: In settlement of all potential claims for back pay and interest for the positions in the Operatives job group, Aramark agrees to pay the total amount of \$100,000 (including \$86,000 in back pay and \$14,000 in interest). The total amount of \$100,000 shall be referred to hereafter as the "Hiring Settlement Fund." This monetary settlement is a negotiated amount that represents back pay and interest, less interim earnings, and takes into account the average tenure of those persons hired into all positions within the Operatives job group during the period of May 7, 2012 through May 6, 2014. In addition to the settlement fund and in lieu of retroactive seniority, Aramark will pay an additional \$1,006 to each Eligible Class Member who is hired into the Operatives job group and completes 28 days of employment. This payment will be paid at the completion of the 28<sup>th</sup> day after beginning employment.

Within 45 days of the effective date of this agreement, Aramark shall set aside the amounts into a separate Operating Account.

Aramark shall distribute the Hiring Settlement Fund, plus accrued interest, equally among Hiring – Eligible Recipients. This monetary relief is not contingent upon accepting any job offer.

Within 180 days of the effective date of this agreement, Aramark shall send two checks, by certified mail, to each Hiring – Eligible Recipient representing each such person's pro rata share of wages and interest and other statutory contributions. After mailing the checks, Aramark will provide OFCCP with a Microsoft Excel report containing the certified mail tracking number for each Hiring – Eligible Recipients.

Aramark shall make all deductions required by law from back pay only (such as federal, state and/or local taxes and the eligible class members' share of FICA and FUTA taxes). Aramark will pay the Internal Revenue Service ("IRS") the employer's share of social security withholdings and other statutory contributions and will mail each eligible class member the required IRS forms at the end of the year.

Within 7 days of Aramark's receipt of an undeliverable check, Aramark shall notify OFCCP of this fact via email. OFCCP shall attempt to locate the Hiring – Eligible Recipient and if OFCCP obtains an alternate address, Aramark shall re-mail the checks. Any checks that remain uncashed within 240 days of the effective date of this agreement shall be void. With respect to the uncashed funds, Aramark shall make a second distribution to all Hiring – Eligible Recipients within 270 days of the effective date of this agreement who cashed their first check if the amount of the uncashed funds would result in a payment of \$35 or more to each of the located Hiring – Eligible Recipients.

The Hiring Settlement Fund account shall be closed on or after 300 days of the effective date of this agreement. Any balance remaining in the fund shall revert to Aramark and be used to provide training in equal employment opportunity to its personnel in addition to trainings it is obligated to provide under the Executive Order, Section 503 and VEVRAA.

The parties may modify any timeframe set forth in this Conciliation Agreement by mutual agreement.

4. Employment. Within 160 days of the effective date of this Agreement, Aramark shall establish a Priority Employment List for the Hiring – Eligible Recipients ranking individuals based upon the date of receipt of the applicable attachments by Aramark (“Priority Employment List”). If more than one set of attachments are received on the same date, the attachments for that day shall also be ranked by date of the first original application with Aramark. However, any Hiring-Eligible Recipient who was previously hired by Aramark during the period of May 7, 2012 through the effective date of this Agreement shall not be offered a job. Along with submission of the Priority Employment List, Aramark shall submit to OFCCP documentation of each such previous hire’s hire date, start date, job title and termination date, if applicable.

Aramark shall mail every person on the Priority Employment List a current Aramark application. In considering these class members for an interview, Aramark agrees that the following are the only minimum qualifications it will use: (1) must be 18 years of age; (2) must be a United States citizen or legally authorized to work in the United States; (3) if the applicant is a former Aramark or AmeriPride employee, he or she must be eligible for rehire pursuant to the company’s rehire policy. Aramark shall extend job offers until 29 males from the Priority Employment List have been hired or until the list is exhausted, whichever occurs first. All individuals who receive an offer must successfully pass a legally permissible background check and a legally permissible drug screen. Aramark shall submit to OFCCP the reasons for rejecting any males for interview or a job offer from the Priority Employment List. Specifically, Aramark shall submit as part of its first and second progress reports to OFCCP the reasons for not hiring a Hiring – Eligible Recipient on the Priority Employment List who received a job offer.

Aramark will contact the applicant requesting that they come to 1212 N Stoughton Rd., Madison, WI 53714, for an in-person interview. The applicant has seven days to come for an interview or arrange an alternate date to come in person. If the applicant fails to come for the interview, the candidate is removed from the preferential hiring list. At the interview, Aramark will either conditionally offer the applicant a job or reject the applicant. OFCCP will receive evidence of the basis for any decision not to offer employment as part of the reporting process. Aramark will extend a conditional offer of employment

orally at the interview to everyone who is not rejected. The applicant will be required to complete the post-offer consent forms and the post-offer process. OFCCP will receive evidence of any applicant whose offer is withdrawn because of the results of the post-offer process. If the post-offer process has concluded favorably, Aramark will notify the applicant by phone call, text message, or email to arrange a start date. Aramark also will send a letter by regular mail confirming the start date. If the applicant fails to show up for work on the start date, or arrange a mutually agreed upon alternate start date, the offer will be withdrawn by Aramark.

The hire and seniority date of each Hiring – Eligible Recipient who accepts an offer and is hired shall be their original application date.

C. **NON-MONETARY REMEDIES.** Aramark will ensure all applicants are afforded equal employment opportunities. Aramark agrees to cease using the selection procedures, practices, and/or policies, which negatively affected the hiring of male applicants into positions within the Operatives job group immediately. Aramark agrees to continue and/or to implement the corrective actions detailed below.

1) Revised Hiring Processes

- a. Eliminate Discriminatory Selection Procedures: Aramark agrees to comply with all OFCCP regulations concerning selection procedures, including 41 C.F.R. § 60-3. Aramark will not use any selection procedure that has an adverse impact, as defined in 41 C.F.R. § 60-3.4D, on applicants of a particular sex unless it properly validates the procedure pursuant to these regulations.
- b. Review and Revisions Required: Aramark will revise, in writing, the practices, policies and procedures it uses to select applicants for positions in the Operatives job group (hereinafter “Revised Hiring Process”). Specifically, Aramark will:
  - i. create a selection process for positions in the Operatives job group which describes the essential functions; the minimum qualifications including required skills 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 selection procedure;
  - ii. develop specific, job-related qualification standards for positions in the Operatives job group that reflect the duties, functions, and competencies of the position to minimize the

potential for gender stereotyping or other unlawful discrimination;

- iii. ensure all policies and qualification standards are uniformly applied to all applicants; and
  - iv. list clearly on its recruiting materials and job postings the minimum qualifications, including required skills and certifications.
- c. Recordkeeping and Retention: Aramark will write and implement procedures to ensure that applicants are tracked, and decisions are documented at each step in the hiring process. Aramark will write and implement procedures to ensure that documents are retained in accordance with 41 C.F.R. § 60-1.12(a) and § 60-3.
- d. Training: Within 90 days of the Effective Date of this Agreement, Aramark must train all individuals involved in any way in recruiting, selecting, or tracking applicants for positions in the Operatives job group on the Revised Hiring Process. The training will include (but is not limited to) instructions 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 § 60-3. Aramark will maintain a list of employees who attended the training. Specific attention will be directed to ensure that any applicants, which benefit from the provisions of this agreement, are not retaliated.
- e. Monitoring: Aramark agrees to monitor selection rates at each step of its selection process for positions with the Operatives job group. Where it is determined that a selection procedure has an adverse impact, as defined in 41 C.F.R. § 3.4D, on the hiring of applicants of a particular race or gender, Aramark will eliminate the procedure, choose an alternative procedure, or validate the procedure in accordance with the Uniform Guidelines on Employee Selection Procedures codified at 41 C.F.R. § 60-3. Aramark agrees to maintain and make available to OFCCP records concerning the impact of the selection process for positions within the Operatives job group at the Madison, Wisconsin facility. This includes the number of persons hired by gender, the number of applicants who applied by gender, and the selection procedures utilized. This information will be maintained, until the expiration of this Agreement, or as long as required by the regulations, whichever is later.



## **2. EMPLOYMENT RECORDS**

- A. **STATEMENT OF VIOLATION.** Aramark failed to preserve all personnel and employment records made or kept by the contractor for a period of not less than two years from the date of a) the making of the record or b) the personnel action involved, whichever occurred later. Specifically, Aramark failed to maintain all documentation created under its selection system for all Operatives job group applicants, in accordance with the requirements of 41 C.F.R. § 60-1.12(a-c).
- B. **REMEDY.** Aramark agrees to preserve all personnel and employment records it makes or keeps in either electronic or hard copy format, including but not limited to all expressions of interest through the internet or related electronic data technologies, records related to internal and/or external databases, physical online applications, completed applicant self-identification forms, resumes, testing materials and interview 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. Where a compliance evaluation has been initiated by OFCCP, Aramark must agree to preserve all employment and personnel records beyond the two-year period, if applicable, until OFCCP makes a final disposition in the matter.

## **3. ANALYSES**

- A. **STATEMENT OF VIOLATION.** Aramark's in-depth analyses of its hiring process failed to identify adverse impact against males in violation of 41 C.F.R. § 60-2.17(b).
- B. **REMEDY.** Aramark agrees to perform in-depth analyses of its hiring process to include a review of personnel activity (applicant flow, hires, terminations, promotions, and other personnel actions) to determine whether there are selection disparities.

## **4. EVALUATION OF INDIVIDUAL COMPONENTS**

- A. **STATEMENT OF VIOLATION.** Aramark failed to evaluate the individual components of the selection process after determining that the total selection process for a job has an adverse impact in accordance with the requirements of 41 C.F.R. § 60-3.4(c). Specifically, Aramark had hiring activity that indicated statistically significant adverse impact against Males during the period for which OFCCP has data. Aramark failed to evaluate the causes of the adverse impact any further.
- B. **REMEDY.** Aramark agrees to further evaluate the individual components of the selection process after determining that the total selection process for a job has an adverse impact. Aramark shall make this evaluation in accordance with the requirements of 41 C.F.R. § 60-3.4(c).

#### **PART IV. REPORTS REQUIRED**

1. Aramark must submit the documents and reports described below to: Tim Roark, Assistant District Director, OFCCP Milwaukee District Office, 310 W. Wisconsin Ave., Suite 1115, Milwaukee, WI 53203.
  - A. Within 60 calendar days of the effective date of this Agreement, Aramark must submit a copy of its current hiring process.
  - B. Within 120 days of the effective date of this Agreement, Aramark must submit documentation that all managers, supervisors and other personnel involved in recruiting, selecting, and tracking of applicants for hourly positions at the Madison, Wisconsin establishment are trained on the hiring process. 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.
  - C. Within the prescribed timeframes, Aramark must submit all documents and information referenced in Part III.1.B.1, Part III.1.B.2, Part III.1.B.3, and Part III.1.B.4.
  - D. Aramark must submit four (4) Progress Reports covering each six-month period this Agreement is in effect. The first Progress Report will be due eight months after the effective date of this Agreement and must cover the six-month period beginning with the effective date. Each subsequent Progress Report must cover the successive six-month period and must be submitted within 60 calendar days after the close of that six-month period. Aramark will submit the following in each report, if applicable to the particular reporting period:
    - 1) Documentation of attempts to contact all class members in Attachment A that were undeliverable, to include copies of the outside envelope front, sent to class members and copies of all letters and forms (Attachments C and D) received from class members.
    - 2) Documentation of monetary payments to all eligible class members as specified in Part III.1.B.3. This documentation must include the names of class members who received monetary payments, and, for each eligible class member, the number, check amount, and check bank clearance date. The same documentation will be provided for Eligible Class Members who are hired and complete their 28<sup>th</sup> workday and received the \$1,006 payment in lieu of retroactive seniority. OFCCP may request copies of canceled checks disbursed by Aramark to Eligible Class Members or other equivalent documentation verifying that Eligible Class Members received payment.

- 3) Documentation of specific hiring activity for class members who are hired into Operative positions in accordance with this Agreement Part III.1.B.4, including name, hire date, job title hired into, rate of pay, and proof of retroactive seniority payment on or before the 28<sup>th</sup> day of employment. For class members who were considered for employment but were not hired into Operative positions, Aramark will provide the reason for non-placement along with all relevant documentation (e.g. documentation that the class member declined a job offer, failed background check, failed drug screen, etc....);
- 4) The total number of applicants and hires, the breakdown by race, gender and ethnic group of applicants and hires for Operative positions during the reporting period;
- 5) For operative job positions at the Madison, Wisconsin establishment, the results of Aramark's analysis as to whether its total selection process has an adverse impact, as defined in 41 C.F.R. § 60-3.4D, on gender (for purposes of the adverse impact analysis, Aramark must not include hires made of class members pursuant to this Agreement in that analysis; Aramark must combine the data for the current report with the data from the previous report to analyze at least 12-month period).
- 6) 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 Aramark's evaluation of the individual components of the selection process for adverse impact; and or the actions taken by Aramark upon determining that any component of the selection process has an adverse impact on members of groups set forth in Part III.C.1.e.
- 7) A copy of your current Executive Order Affirmative Action Program (AAP) prepared in accordance with the requirements of 41 C.F.R. § 60-1.40, and 41 C.F.R. §§ 60-2.1 through 60-2.17 in Reports 1 and 3.

Aramark 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 (or "whichever time period is longer").

**PART V. SIGNATURES**

This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute the same instrument and shall become effective when counterparts have been signed by each of the Parties and delivered to the other Parties, being understood that not all Parties need sign the same counterparts.

The person signing the Conciliation Agreement on behalf of Aramark Uniform & Career Apparel, LLC personally warrants he or she is fully authorized to do so, that Aramark Uniform & Career Apparel, LLC has entered into this Conciliation Agreement voluntarily and with full knowledge of the effect thereof, and that execution of this Agreement is fully binding on Aramark Uniform & Career Apparel, LLC. This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Aramark Uniform & Career Apparel, LLC.

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

Patrick Connell  
General Manager  
Aramark Uniform & Career Apparel

Date: 9/16/19

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

Carmen Navarro  
Deputy Regional Director  
OFCCP, Midwest Region

Date: 9/19/19

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

Tim Roark  
District Director  
OFCCP, Milwaukee District Office

Date: 9/18/19