# Conciliation Agreement Between the United States Department of Labor Office of Federal Contract Compliance Programs And Air Mechanical & Service Corp. 4311 West Ida Street Tampa, Florida 33614

#### **PART I: General Provisions**

- 1. This Agreement is between the Office of Federal Contract Compliance Programs (hereinafter OFCCP) and Air Mechanical & Service Corp. (hereinafter AMSCO).
- 2. The violations identified in this Agreement were found during a compliance evaluation of AMSCO at its construction worksites in the Tampa St. Petersburg, Florida Standard Metropolitan Statistical Area, which began on May 1, 2008, and they were specified in a Notice of Violation issued September 15, 2009. OFCCP alleges that AMSCO has violated Executive Order 11246, as amended, and the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212) and their implementing regulations at 41 CFR Chapter 60, due to the specific violations cited in Part II below.
- 3. This Agreement does not constitute an admission by AMSCO violation of Executive Order 11246, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212) and their implementing regulations.
- 4. The provisions of this Agreement will become part of AMSCO's affirmative action programs (AAP's). Subject to the performance by AMSCO of all promises and representations contained herein and in its AAPs, all named violations in regard to the compliance of AMSCO with all OFCCP programs will be deemed resolved. However, AMSCO is advised that the commitments contained in this Agreement do not preclude future determinations of noncompliance based on a finding that the commitments are not sufficient to achieve compliance.
- 5. AMSCO agrees that OFCCP may review 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 AMSCO's compliance. AMSCO shall permit access to its premises during normal business hours for these purposes.
- 6. Nothing herein is intended to relieve AMSCO from the obligation to comply with the requirements of Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212) and their implementing regulations, or any other equal employment statute or executive order or its implementing regulations.

- 7. AMSCO agrees that there will be no retaliation of any kind against any beneficiary of this Agreement or against any person who has provided information or assistance, or who files a complaint, or who participates in any manner in any proceedings under Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended and the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212).
- 8. This Agreement will be deemed to have been accepted by the Government on the date of signature by the District Director for OFCCP, unless the Regional Director or the Deputy Assistant Secretary, OFCCP, indicates otherwise within 45 days of the District Director's signature on this Agreement.
- 9. If, at any time in the future, OFCCP believes that AMSCO has violated any portion of this Agreement during the term of this Agreement, AMSCO will be promptly notified of that fact in writing. This notification will include a statement of the facts and circumstances relied upon in forming that belief. In addition, the notification will provide AMSCO with 15 days from receipt of the notification to respond in writing, except where OFCCP alleges that such a delay would result in irreparable injury.

Enforcement proceedings for violation of this Agreement may be initiated at any time after the 15-day period has elapsed (or sooner, if irreparable injury is alleged) without issuing a Show Cause Notice.

Where OFCCP believes that AMSCO has violated this Conciliation Agreement, OFCCP may seek enforcement of this Agreement itself and shall not be required to present proof of the underlying violation resolved by this Agreement.

Liability for violation of this Agreement may subject AMSCO to sanctions set forth in Section 209 of the Executive Order, 41 CFR 60-300.66 and/or other appropriate relief.

#### **PART II: Specific Provisions**

1. **VIOLATION**: Compensation data provided by AMSCO for employees in non-exempt positions as of May 1, 2008 revealed that AMSCO provided lower compensation to Minority employees than to similarly situated Non-Minorities in Helper, Service and Insulator job categories. Time with AMSCO, timing of merit increases, and amount of merit increases did not explain the compensation disparity. Accordingly, OFCCP finds that AMSCO has discriminated against 12 qualified Minority applicants (hereinafter Class Members) because of their race in violation of 41 CFR 60-1.4(a)(1).

**REMEDY**: Although AMSCO reaffirms that this disparity in pay was unintentional, AMSCO will adjust the hourly pay rates of the 12 Minority employees named on Attachment A to this Agreement in the amounts designated on the Attachment.

AMSCO will distribute \$39,013.18 in back pay and interest. Additionally AMSCO will provide \$30,160.00 in salary adjustments. The money will be divided as indicated in Attachment A to this Agreement and paid to each one in a lump sum, less appropriate legal deductions.

AMSCO will complete the process of monetary distribution within 90 days, but no sooner than 45 days, from the date of this Agreement is signed by the District Director, OFCCP.

Within 120 days from the date this Agreement is signed by the District Director, OFCCP, AMSCO will provide OFCCP with evidence of salary adjustments and monetary disbursement for all persons named on Attachment A to this Agreement by copies of salary change forms, pay slips showing legal deductions and back pay checks issued and cancelled.

Within 120 days of the District Director's signature on this Agreement, and with annual updates thereafter, AMSCO will provide training on its equal employment opportunity programs for all persons involved in AMSCO's compensation processes. AMSCO estimates the cost of this training to be no less than \$4,500.00.

AMSCO will not retaliate, harass, or engage in any form of reprisal or other adverse action against any Class Member based on or in relation to the terms or provisions of this Remedy.

AMSCO will review its pay system within 90 days from the date this Agreement is signed by the District Director, OFCCP, and at least annually thereafter for the purpose of ensuring nondiscrimination.

2. <u>VIOLATION</u>: AMSCO failed to list, on an ongoing basis, all employment openings, as defined by 41 CFR 60-300.5(a) 2 and 6, with the Florida Department of Labor office serving the location where openings occur. Additionally, AMSCO failed to undertake appropriate outreach and positive recruitment activities that are reasonably designed to effectively recruit qualified disabled veterans, recently separated veterans, other protected veterans and Armed Forces service medal veterans. 41 CFR 60-300.5(a) 2-6 and 41 CFR 60-300.44(f).

**REMEDY**: AMSCO will list, on an ongoing basis, all employment openings, as defined by 41 CFR 60-300.5(a) 2 and 6, and will contact the Veterans' Employment Representatives identified below at the Department of Labor office serving the location where openings occur.

Tampa One-Stop Career Center 9215 N. Florida Avenue, Suite 101 Tampa, Florida 33612

(7)(C), MBA, Veterans' Employment Representative

Telephone: (813) 930-7437

Email: (7)(C) @workforcetampa.com

3. <u>VIOLATION</u>: AMSCO failed to direct its recruitment efforts, both oral and written, to minority and female recruitment sources and to community organizations serving its recruitment area and employment needs. 41 CFR 60-4.3(a) 7i.

**REMEDY**: AMSCO will direct its recruitment efforts, both oral and written, to minority and female recruitment sources and community organizations serving its recruitment area and employment needs. Efforts will include, but will not be limited to, ongoing contacts with at least the following organization to seek aid in identifying and referring qualified minority and female applicants for AMSCO's vacancies in construction trade positions:

Tampa One-Stop Career Center 9215 N. Florida Avenue, Suite 101 Tampa, Florida 33612

(7)(C) , MBA, Veterans' Employment Representative

Telephone: (813) 930-7437

Email: (7)(C)@workforcetampa.com

National Career One Stop Website: <a href="http://www.jobbankinfo.org/">http://www.jobbankinfo.org/</a>

**FUTURE CONDUCT:** AMSCO will not repeat the above violations.

#### PART III: Reporting

AMSCO will submit two reports, as stated below, to Miguel Rivera, Assistant District Director—Orlando, United States Department of Labor, Office of Federal Contract Compliance Programs, 1001 Executive Center Drive, Suite 100, Orlando, Florida 32803; Attention: (7)(C). (7)(E), Compliance Officer.

- A. The first report will be due January 15, 2010 and will include:
  - 1. Copies of personnel forms confirming salary adjustments made to all persons named on Attachment A to this Agreement;
  - Evidence of back pay monies disbursed to all persons named on Attachment A to this Agreement, including copies of the cancelled checks and pay slips showing the gross amount and legal deductions; and
  - 3. Results of AMSCO's 90-day review of its compensation system, including findings, additional equity adjustments and back pay, if any.
- B. The second report will be due on October 22, 2010, will cover the period of October 1, 2009 to September 30, 2010, and will include:
  - 1. Detailed results of AMSCO's annual review of its compensation system, including findings, additional equity adjustments and back pay, if any; and
  - 2. Documentation that AMSCO listed all employment openings, as defined by 41 CFR 60-300.5(a) 2 and 6, with the Florida Department of Labor offices serving the location where openings occur and contacted the local Veterans' Employment Coordinator, with a report on the number of referrals and the number of hires from those listings and from AMSCO's other positive outreach and recruitment activities, providing for the hires, to the extent known, the number of disabled veterans, recently separated veterans, other protected veterans and Armed Forces service medal veterans.
  - 3. Evidence that AMSCO has provided training on its equal employment opportunity programs for all persons involved in AMSCO's compensation processes.

**TERMINATION DATE:** This Agreement will expire 90 days after OFCCP receives the report required in Part III above or on the date that the District Director gives notice to AMSCO that AMSCO has satisfied its reporting requirements, whichever occurs earlier, unless OFCCP notifies AMSCO in writing prior to the end of the 90-day period that AMSCO has not satisfied its reporting requirements pursuant to this Agreement.

**PART IV: Signatures** 

The person signing this Conciliation Agreement on behalf of Air Mechanical & Service Corp., personally warrants that he is fully authorized to do so, that Air Mechanical & Service Corp. 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 Air Mechanical & Service Corp. This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Air Mechanical & Service Corp.

DATE:  $\frac{q}{z_1/o_9}$ (6), (7)(C)

Warren Byers

President

Air Mechanical & Service Corp. 4311 West Ida Street Tampa, Florida 33612

DATE: 09/28/09

(6), (7)(C)

Miguel A. Rivera Jr.

Assistant District Director—Orlando
Office of Federal Contract
Compliance Programs

DATE:  $\frac{9125109}{(6), (7)(C), (7)(E)}$ 

Office of Federal Contract
Compliance Programs

DATE: 10/2/09

(6), (7)(C)

Ronald W. Bailey

Acting District Director—Orlando
Office of Federal Contract
Compliance Programs

DATE: 130ctoker 2009

(6), (7)(C)

Evelyn Teague

Regional Director—Atlanta
Office of Federal Contract
Compliance Programs

#### Air Mechanical and Service Corporation Attachment A

Name	Job Title	Wage Adjustment	Annualized Salary Adjustment	Backpay plus interest due
(6)		7		
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