

**Conciliation Agreement
Between the United States Department of Labor
Office of Federal Contract Compliance Programs
And
Cardinal Health 110, Inc.
7000 Cardinal Place
Dublin, Ohio 43017**

PART I: General Provisions

1. This Agreement is between the Office of Federal Contract Compliance Programs (hereinafter OFCCP) and Cardinal Health 110, Inc. (hereinafter Cardinal).
2. The violation identified in this Agreement was found during a compliance evaluation of Cardinal at its establishment located at 2045 Interstate Drive, Lakeland, Florida which began on August 30, 2010, and they were specified in a Notice of Violation issued August 11, 2011. OFCCP alleges that Cardinal has violated 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 at 41 CFR Chapter 60, due to the specific violations cited in Part II below.
3. This Agreement does not constitute an admission by Cardinal of any 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 Cardinal's affirmative action programs (AAPs). Subject to the performance by Cardinal of all promises and representations contained herein and in its AAPs, all named violations in regard to the compliance of Cardinal with all OFCCP programs will be deemed resolved. However, Cardinal 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. Cardinal 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 Cardinal's compliance. Cardinal shall permit access to its premises during normal business hours for these purposes.
6. Nothing herein is intended to relieve Cardinal 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.

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7. Cardinal 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, OFCCP, unless the Regional Director or the Director, 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 Cardinal has violated any portion of this Agreement during the term of this Agreement, Cardinal 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 Cardinal 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 Cardinal 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 Cardinal to sanctions set forth in Section 209 of Executive Order, 41 CFR 60-300.66, and /or other appropriate relief.

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PART II: Specific Provisions

1. **VIOLATION:** Compensation data provided by Cardinal for all employees as of October 1, 2009 revealed that Cardinal failed to ensure its employees are compensated without regard to minority status. Specifically, Cardinal paid one minority employee \$1,976.00 less in annual salary from October 1, 2009 (snapshot date) through August 31, 2010 (date of first pay increase after October 1, 2009) and \$2,038.40 less in annual salary from September 1, 2010 through June 2, 2011 than a similarly situated non-minority employee in the [REDACTED] job title. Cohort Analysis of incumbents holding [REDACTED] positions found disparity in compensation adverse to a minority employee not justified by her qualifications in comparison with a non-minority comparator. In view of the above, OFCCP finds that Cardinal has discriminated against one minority employee in the [REDACTED] job title because of her race, in violation of 41 CFR 60-1.4(a)(1).

REMEDY: Although Cardinal affirms that this disparity in pay was unintentional, Cardinal will adjust the pay rate of the minority employee named in the Attachment to this Agreement (hereinafter, minority [REDACTED]), and provide her with a make-whole monetary settlement.

Cardinal will immediately modify its compensation system to ensure that this violation ceases. Cardinal will provide the minority [REDACTED] with an upward salary adjustment of \$2,038.40 for the current year. In addition, Cardinal will review its compensation system at least annually and revise it as needed to ensure that this violation does not recur.

No sooner than 45 and no later than 50 days after the District Director's signature on this Agreement, Cardinal will disburse to the minority [REDACTED] \$3,347.07 in back pay, \$83.62 in interest and \$156.30 in back benefits for a total of \$3,586.99; Cardinal will pay this total to her in a lump sum, minus withholdings for applicable federal, state, and/or local tax, and her share of FICA. Cardinal will provide the minority [REDACTED] with an IRS Form W-2 for her back pay and benefits and an IRS Form 1099 for the interest amount.

Cardinal will not retaliate, harass, or engage in any form of reprisal or other adverse action against the minority [REDACTED] based on or in relation to the terms or provisions of this Remedy.

Within 90 days of the District Director's signature on this Agreement, Cardinal will provide training on its equal employment opportunity programs for all persons involved in determining compensation paid to Cardinal's employees at its Lakeland, Florida facility. Cardinal estimates the cost of this training to be \$7,400.00. Cardinal will update this training annually.

2. **VIOLATION:** Cardinal failed to list, on an ongoing basis, all employment openings, as defined by 41 CFR 60-300.5(a) 2 and 6, with the state workforce agency job bank or with the local employment delivery system serving the location where openings occur.

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Additionally, Cardinal failed to undertake appropriate outreach and positive recruitment activities that are reasonably designed to effectively recruit 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: Cardinal will list on an ongoing basis, all employment openings at its Lakeland, Florida facility, as defined by defined by 41 CFR 60-300.5(a) 2 and 6, with the State of Florida Job Bank or the Florida Department of Labor office serving the location where openings occur. Additionally, Cardinal will contact the Veterans' Employment Representative identified below as part of its outreach and positive recruitment activities to recruit qualified disabled veterans, recently separated veterans, other protected veterans, and Armed Forces service medal veterans.

State of Florida Job Bank: <http://www.employflorida.com>

(b) (7)(C) Local Veterans' Employment Representative
Polk Works, 309 N. Ingraham Avenue, Lakeland, Florida 33801
Direct Line: (b) (7)(C); Email: (b) (7)(C)

FUTURE CONDUCT: Cardinal will not repeat the above violations.

PART III: Reporting

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

The **first report** shall be due 50 days after the date this Agreement is signed by the District Director, OFCCP. The first report shall consist of the following:

1. Copies of personnel forms confirming salary adjustments made to the minority (b) (7)(C)
2. Evidence of back pay and interest monies disbursed to the minority (b) (7)(C) including copies of the cancelled checks and pay slips showing the gross amount and legal deductions;
3. Documentation of supplementary contributions that Cardinal made to the minority (b) (7)(C) 401K account for the period October 1, 2009 through June 2, 2011;
4. Results of Cardinal modification of its compensation system to remedy the violation at its Lakeland, Florida facility, to include findings, additional equity adjustments and back pay, if any; and
5. Documentation of training that Cardinal provided on its equal employment opportunity

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programs for all persons involved in determining compensation amounts paid to Cardinal's employees at its Lakeland, Florida facility, including the dates(s) of training, names and titles of recipients and costs.

The **second report** shall be due 12 months after this Agreement is signed by the District Director, OFCCP. The second report shall consist of the following:

1. Results of Cardinal's annual review of its compensation system at its Lakeland, Florida facility, including findings, additional equity adjustments and back pay, if any; and
2. Documentation that Cardinal, for its Lakeland, Florida facility, a) listed all employment openings, as defined by 41 CFR 60-300.5(a) 2 and 6, with the State of Florida Job Bank or the local Florida Department of Labor office servicing the location where openings occur and b) contacted the resource identified in Remedy 1 of Part II above, along with c) a report on the number of referrals and the number of hires from those listings and from Cardinal's other positive veterans' outreach and recruitment activities, providing for the hires, the number of disabled veterans, recently separated veterans, other protected veterans and Armed Forces service medal veterans covered by OFCCP's regulations.

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

INTEGRATION CLAUSE: This Agreement represents the full Agreement between Cardinal and OFCCP and this Agreement supersedes any other agreements, oral or written. In signing this Agreement, neither Cardinal, nor OFCCP relies upon any promise, representation of fact or law, or other inducement that is not expressed in this Agreement. This Agreement may be modified only by written agreement of the Parties affected and may not be modified by any oral agreement.

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PART IV: Signatures

The person signing this Conciliation Agreement on behalf of Cardinal Health 110, Inc. personally warrants that she is fully authorized to do so, that Cardinal Health 110, Inc. 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 Cardinal Health 110, Inc. This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Cardinal Health 110, Inc.

DATE: 9/7/2011

(b) (7) (c)


Evelyn Long
Director of Operations
Cardinal Health 110, Inc.
2045 Interstate Drive
Lakeland, Florida 33805

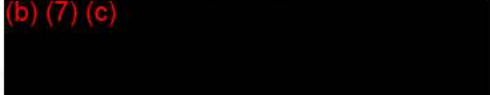
DATE: 9/8/2011

(b) (7) (e)


Compliance Officer—Orlando
Office of Federal Contract
Compliance Programs

DATE: 9/9/2011

(b) (7) (c)


E. Michelle Hernandez-Lasa
Assistant District Director—Orlando
Office of Federal Contract
Compliance Programs

DATE: 09/20/11

(b) (7) (c)


Miguel A. Rivera, Jr.
District Director—Orlando
Office of Federal Contract
Compliance Programs

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Attachment A

**Name of Employee
Receiving Salary Adjustment, Back Pay, Interest and Additional 401k Contributions**

(b) (7)(C)

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