

Conciliation Agreement
Between the U.S. Department of Labor
Office of Federal Contract Compliance Programs
And
Pacific Cheese Company, Inc.
21090 Cabot Boulevard
Hayward, California 94545

PART I: General Provisions:

1. This Agreement is between the Office of Federal Contract Compliance Programs (hereinafter OFCCP) and Pacific Cheese Company, Inc. (hereinafter Pacific Cheese), 21090 Cabot Boulevard, Hayward, California 94545.
2. The violations identified in this Agreement were found during a compliance evaluation of Pacific Cheese which began on June 30, 2010 and were specified in a Notice of Violation issued on September 9, 2011. OFCCP alleges that Pacific Cheese has violated 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 its 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 Pacific Cheese of any violation 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 implementing regulations.
4. The provisions of this Agreement will become part of Pacific Cheese's Affirmative Action Program (hereinafter AAP). Subject to the performance by Pacific Cheese of all promises and representations contained herein, and in its AAP, all named violations in regard to the compliance of Pacific Cheese with all OFCCP programs will be deemed resolved. However, Pacific Cheese 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. Pacific Cheese 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 Pacific Cheese's compliance. Pacific Cheese shall permit access to its premises during normal business hours for these purposes.

6. Nothing herein is intended to relieve Pacific Cheese from the obligation to comply with the requirements of Executive Order 11246, as amended, and/or Section 503 of the Rehabilitation Act of 1973, as amended, and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212) and its implementing regulations, or any other equal employment statute or executive order or its implementing regulations.
7. Pacific Cheese 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 to the OFCCP, or who files a complaint, or who participates in any manner in any proceedings under Executive Order 11246, as amended, and/or Section 503 of the Rehabilitation Act of 1973, as amended, and/or 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, unless the Regional Director or the Director of 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 Pacific Cheese has violated any portion of this Agreement during the term of this Agreement, Pacific Cheese 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 the Contractor 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 Pacific Cheese has violated this Conciliation Agreement, OFCCP may seek enforcement of this Agreement itself and shall not be required to present proof of this underlying violation resolved by this Agreement.

Liability for violation of this Agreement may subject Pacific Cheese to sanctions set forth in Section 209 of the Executive Order, 41 CFR 60-250.66, 41 CFR 60-300.66 and/or other appropriate relief.

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PART II: Specific Provisions:

1. **Violation:** Pacific Cheese failed to uniformly apply the provisions of their compensation system to all employees as required by 41 CFR 60-1.4(a) (1) and 41 CFR 60-20.5(a). Specifically, OFCCP's review of Pacific Cheese's compensation practices reveals that (b) (7)(C), a female (b) (7)(C) was paid less than a similarly situated male (b) (7)(C) for the period of September 24, 2007 to August 21, 2011 when Pacific Cheese made an adjustment to (b) (7)(C) hourly salary rate.

Remedy: Pacific Cheese agrees to provide (b) (7)(C) with a make whole relief, including back pay plus interest. The total back wages and interest due for the period of September 24, 2007 to August 21, 2011 is \$1315.91. Pacific Cheese also agrees that (b) (7)(C) future salary increases in the (b) (7)(C) position will not be less than those performing the same job with similar seniority, and similar performance reviews.

Pacific Cheese also agrees to ensure that its compensation practices do not discriminate against any protected group. This applies to all aspects of compensation, including, but not limited to, initial salary at the time of hire and progression to higher pay rates.

On August 25, 2011, Pacific Cheese provided documentation to show it adjusted (b) (7)(C) hourly salary rate from (b) (7) hour to (b) (7) hour to correct the wage discrepancy which began on September 24, 2007.

On September 9, 2011, Pacific Cheese provided documentation that it paid back wages which included compound interest in the amount of \$1315.91 to (b) (7)(C)

Pacific Cheese commits that this violation will not recur.

2. **Violation:** Pacific Cheese failed to list all suitable employment openings with the local employment service office of the state employment security agency or the appropriate employment service delivery system for the locations covered in the Affirmative Action Program during the review period as required by 41 CFR 60-250.5(a) 2 and 60-300.5(a) 2.

Remedy: Pacific Cheese agrees to list all suitable employment openings with the local employment service office of the state employment security agency or the appropriate employment service delivery system for the locations covered in the Affirmative Action Program as required by 41 CFR 60-250.5(a) 2 and 60-300.5(a) 2. Additionally, Pacific Cheese will maintain documentation of all job postings made with the above agencies for the locations covered in the Affirmative Action Program.

Pacific Cheese commits that this violation will not recur.

3. **Violation:** Pacific Cheese failed to file the VETS-100A Report that identifies the number of permanent full-time and part-time veteran and non-veteran employees that were hired in accordance with the requirements of 41 CFR 61-250 and 61-300. Specifically Pacific Cheese failed to file a VETS 100-A report in 2010.

Remedy: Pacific Cheese agrees to file, on or before September 30 of each year, a VETS-100A Report in accordance with the requirements of 41 CFR 61-250 and 61-300.

Pacific Cheese commits that this violation will not recur.

PART III: Reporting:

In order for OFCCP to monitor compliance with this agreement, Pacific Cheese agrees to submit one (1) progress report to:

U.S. Department of Labor
Office of Federal Contract Compliance Programs
90 7th Street, Suite 11-100
San Francisco, CA 94103

REPORT DUE DATE REPORTING PERIOD

November 30, 2012 Effective date of Conciliation Agreement to October 31, 2012

The report shall contain the following:

Violation #2: Copies of all appropriate employment openings posted with the local employment service office of the state employment security agency for the locations covered in the Affirmative Action Program.

Violation #3: A copy of the most recently filed VETS-100A Report.

Termination Date:

This Conciliation Agreement shall remain in full force and effect for 30 days following OFCCP's receipt and acceptance of Pacific Cheese's final report. Pacific Cheese understands its obligations under 41 CFR Chapter 60 and is committed to fulfilling those responsibilities and will not repeat the violations, which gave rise to this Conciliation Agreement.

PART IV: Signatures:

This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Pacific Cheese Company, Inc. 21090 Cabot Boulevard, Hayward, California 94545.

Date: Sept. 23, 2011

(b) (7) (c)

Stephen Gaddis
President
Pacific Cheese Company, Inc.
Hayward, California

Date: September 26, 2011

(b) (7) (c)

Compliance Officer
Office of Federal Contract Compliance
Programs

Date: 9/26/2011

(b) (7) (c)

~~Jesus N. Alvarez~~
Assistant District Director
Office of Federal Contract Compliance
Programs, Greater San Francisco/Bay
District Office

Date: 9/29/11

(b) (7) (c)

Sarah Nelson
District Director
Office of Federal Contract Compliance
Programs, Greater San Francisco/Bay
District Office