

**Conciliation Agreement
Between the U.S. Department of Labor
Office of Federal Contract Compliance Programs
And
Recology San Francisco
501 Tunnel Avenue
San Francisco, California 94134**

PART I: General Provisions:

1. This Agreement is between the Office of Federal Contract Compliance Programs (hereinafter OFCCP) and Recology San Francisco, (Hereinafter Recology) 501 Tunnel Avenue, San Francisco, California 94134.
2. The violations identified in this Agreement were found during a compliance evaluation of Recology which began on March 24, 2010 and were specified in a Notice of Violations issued on July 29, 2011. OFCCP alleges that Recology has violated 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) and 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 Recology of any violation of Executive Order 11246, as amended, 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 implementing regulations.
4. The provisions of this Agreement will become part of Recology's Affirmative Action Program (hereinafter AAP). Subject to the performance by Recology of all promises and representations contained herein, and in its AAP, all named violations in regard to the compliance of Recology with all OFCCP programs will be deemed resolved. However, Recology 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. Recology 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 Recology compliance. Recology shall permit access to its premises during normal business hours for these purposes.

6. Nothing herein is intended to relieve Recology 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 implementing regulations, or any other equal employment statute or executive order or its implementing regulations.
7. Recology 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, 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 for 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 Recology has violated any portion of this Agreement during the term of this Agreement, Recology 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 Recology 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 Recology to sanctions set forth in Section 209 of the Executive Order, 41 CFR 60-250.66, 41 CFR 60-300.66, 41 CFR 60-741.66 and/or other appropriate relief.

PART II: Specific Provisions

I. Violation:

Recology failed to uniformly apply the provisions of its 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 Recology's compensation practices reveals that (b) (7) (c) (b) (7) (c) was hired on the same date as (b) (7) (c); however, (b) (7) (c) starting salary was \$5000 less than (b) (7) (c) starting salary.

OFCCP's analysis included all factors Recology identified as influencing the pay for the (b) (7) (c) position which were previous salary history, work history, experience, skills and knowledge, and internal equity. Additionally, OFCCP considered anecdotal evidence obtained from available records, including personnel files, job descriptions, and interviews with managers and employees during the compliance review.

Remedy:

Effective January 1, 2012, Recology provided a market rate/internal equity adjustment to (b) (7) (c) increasing (b) (7) (c) annual salary to (b) (7) (c).

Recology agrees to continue to ensure that its compensation practices provide equal opportunity to all of its employees, irrespective of race or gender. This applies to all aspects of compensation, including, but not limited to, initial salary at time of hire, and progressing into higher paying categories

In order to resolve this violation, Recology agrees to do the following:

- A. Provide (b) (7) (c) back pay of \$5,000 plus \$405.80, less applicable taxes and withholding deductions. Recology agrees to pay a total settlement of \$5,405.80. The payment of the back wage liability will be made directly to (b) (7) (c) by certified check within 60-days after the effective date of this agreement, but no earlier than 45 days.
- B. Recology also agrees that (b) (7) (c) performance will be reviewed in a manner consistent with other similarly situated employees.
- C. Subsequent to five (5) calendar days from the effective date of this agreement but no later than 10 calendar days after the effective date of this agreement, Recology agrees to notify (b) (7) (c) by mail with signature confirmation (Attachment A) of (b) (7) (c) rights under this Agreement. Recology will also include a Release of Claims (Attachment B). (b) (7) (c) upon receiving the above documents, must complete and return the Release of Claims to Recology San Francisco, Attention:

Kathy Jamison, 250 Executive Park, Suite 2100, San Francisco, California 94134.

(b) (7) (c) will have 45 days from the receipt of the Notification to complete and return the response to Recology at the address shown above.

- D. Recology will monitor its compensation practices on an ongoing basis in accordance with the requirements of OFCCP's regulations, specifically 41 CFR 60-2.17.
- E. Training will be provided to all current employees, supervisors, and managers, as well as all future managers and supervisors responsible for determining any compensation related decisions, in any aspect of the employment process, i.e. hiring, promotions, merit increases, bonuses, and/or any other monetary adjustments that are made or considered. Training will be provided to managers and supervisors hired after the completion of this Agreement within 30 days of hire, who have responsibility for determining employee compensation.

Recology commits this violation will not recur.

2. Violation:

Recology failed to reasonably accommodate applicants and employees with disabilities in accordance with the requirements of 41 CFR 60-741.44(d), 60-250.44(d), and 60-300.44(d). During the onsite inspection conducted in February 2011, the OFCCP observed the following deficiencies at the 501 Tunnel Avenue main office location:

- a. The restroom facilities on the first floor could not accommodate applicants and employees with a disability, specifically the toilets were not accessible for the disabled in a wheelchair.
- b. The main building has a handicap parking space located at the side entrance to the building; however, there is no sign in the front of the building to notify applicants and/or employees where the handicap parking is located. Also, the access to the handicap ramp which is in the front of the building is not easily accessible from the handicap parking spot. To access the handicap ramp from the handicap parking space, applicants and/or employees must enter through a gate which is kept locked.

Remedy:

Recology has taken the appropriate steps to ensure accessibility for individuals with disabilities at its 501 Tunnel Avenue main office by implementing the following:

- The restroom facilities are compliant with the Americans with Disabilities Act of 1990, as amended (ADA) restroom requirements;

- Applicants and/or employees are made aware of the location of the handicap parking space by appropriate signs which have been posted by the Company;
- OFCCP acknowledges that the gate from the handicap parking space is easily accessible to reach the handicap ramp.

On May 17, 2012, Recology submitted documentation on renovations made to a restroom on the first floor to make it accessible to individuals with disabilities. Recology also provided documentation of the requisite modifications made for access to the handicap parking space.

Recology commits this violation will not recur.

3. **Violation:**

Recology failed to implement an applicant tracking system for hires in accordance with the requirements of 41 CFR 60-3.4 and 60-3.15. Specifically, Recology failed to collect race and gender data on applicants who did not advance to the interview stage of its selection process.

Remedy:

On April 17, 2011, Recology instituted an updated and refined applicant tracking system for hires that allows it to analyze the pool of applicants for affirmative action purposes and to monitor for disparate treatment or unlawful adverse impact in the selection process.

Recology commits this violation will not recur.

4. **Violation:**

Recology failed to list all employment openings with the California Employment Development Department (EDD) during the review period as required by 41 CFR 60-250.5(a) 2 and 60-300.5(a) 2. Recology could not provide documentation that it listed all employment openings during the review period at the 501 Tunnel Avenue location with the EDD.

Remedy:

Recology agrees to list all employment openings with the EDD for the subject establishment as required by 41 CFR 60-250.5(a) 2 and 60-300.5(a) 2. Additionally, Recology will maintain a list of all postings made with the EDD for the subject establishment.

Recology commits this violation will not recur.

5. Violation:

Recology failed to invite job applicants to whom offers of employment were made, but prior to an individual beginning employment duty, the opportunity to self-identify whether the individual could benefit under Section 503 of the Rehabilitation Act of 1973, as amended. 41 CFR 60-741.42.

Remedy:

On July 10, 2011, Recology submitted a revised Invitation to Self-Identify for Post-Offer Applicants which includes a box for individuals with disabilities to Self-Identify.

Recology commits this violation will not recur.

6. Violation:

Recology failed to implement the procedures stated in its AAP that would ensure covered veterans, disabled veterans and individuals with disabilities would receive careful, thorough and systematic consideration for hiring opportunities as required by 41 CFR 60-250.44(b), 60-300.44(b), and 60-741.44(b).

Remedy:

Recology agrees to implement the procedures stated in its AAP that will ensure covered veterans, disabled veterans, and individuals with disabilities will be given careful, thorough and systematic consideration for hiring opportunities by taking the following actions:

- A. As covered individuals apply for positions within the company and self-identify as covered veterans, disabled veterans and individuals with disabilities, their personnel forms will be annotated to identify each vacancy for which the person was considered.
- B. The personnel records of each known covered individual will include the identification of each promotion for which the person was considered, and the identification of each training program for which the person was considered.
- C. In each case where a covered individual is rejected for employment, training, or promotion, a statement of the reasons will be appended to the file. This statement will include a comparison of the qualifications of the covered individual and the person(s) selected.
- D. Where applicants or employees are selected for hire, promotion, or training, and the company undertakes any accommodation which makes it possible to place a covered individual in the job, the company will keep a record of the accommodation in a confidential medical file.

Recology commits this violation will not recur.

PART III: Reporting:

Recology will submit two (2) progress reports. Recology shall send the report to:

U.S. Department of Labor
Office of Federal Contract Compliance Programs
Greater San Francisco/Bay District Office
90 7th Street, Suite 11-100
San Francisco, CCA 94103

Report Due Dates:

December 1, 2012
June 1, 2013

Reporting Period:

April 1, 2012 through September 30, 2012
October 1, 2012 through March 31, 2013

The first report shall contain the following:

1. Documentation that (b) (7) (c) was notified that Recology has entered into a Conciliation Agreement with OFCCP (Attachment A)
2. A copy of the cancelled check for the back pay and interest disbursed to (b) (7) (c)
3. A written statement confirming that Recology is collecting and maintaining personnel and employment records along with documentation that all managers responsible for hiring have been apprised of the company's selection process.
4. The total number of applicants and hires for each job group by race and gender during the reporting period.
5. For each job group, the results of Recology's analysis as to whether its total selection process has adverse impact, as defined in 41 CFR 60-3.4(d), on those member groups set forth in subparagraph 1, above.
6. Applicant flow log with the name, race, gender, position and job group for applicants during the reporting period.
7. A list of all positions filled during the reporting period with the date filled.
8. Copies of all appropriate employment openings posted with the EDD.

9. For covered veterans, disabled veterans, and individuals with disabilities who have self-identified or who are otherwise being accommodated (hereinafter covered individuals), provide the following:
 - A) Copies of formal procedures (identification and candidate disposition records) of applicants that were considered for job openings. The procedures will include
 - Name of the covered individual
 - status
 - recruitment referral
 - position applied for
 - the reason for selection or non-selection
 - If the covered individual was not selected, provide the name of the person selected and the job related reason for selection
 - B) A narrative report of any accommodation requested by covered individual applicants, and the reasons for providing or not providing the accommodation.

The second report shall contain:

1. Item 4 through Item 9 requested for the first report.
2. Results of the training regarding Recology's compensation practices to Recology managers involved in making compensation decisions to include the following:
 - a. Date(s) of training;
 - b. The names and positions of the managers who attended; and
 - c. Topics covered with the managers and/or training materials disseminated to the managers.

Termination Date:

This Conciliation Agreement will remain in full force and effect until 60 days after OFCCP's receipt and written acceptance of the final Progress Report.

PART IV: Signatures:

This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Recology San Francisco, 501 Tunnel Avenue, San Francisco, California 94108.

Date: 7/5/12
(b) (7) (c)
Michael A. Crosetti
General Manager
Recology San Francisco
San Francisco, California

Date: 7/12/2012
(b) (7) (e)
Compliance Officer
Office of Federal Contract Compliance
Programs

Date: 7/19/2012
(b) (7) (c)
Hea Jung Atkins
District Director
Office of Federal Contract Compliance
Programs, Greater San Francisco/Bay
District Office

Attachment A

NOTIFICATION LETTER

Certified Mail
Return Receipt Requested

(b) (7) (c)

Dear **(b) (7) (c)**:

Recology San Francisco, (hereinafter Recology) 501 Tunnel Avenue, San Francisco, California 94134 and the U.S. Department of Labor's Office of Federal Contract Compliance Programs (hereinafter OFCCP) have entered into a Conciliation Agreement (hereinafter CA) to resolve alleged disparities in compensation for employees working in **(b) (7) (c)** position between October 1, 2009 and September 30, 2010. You have been identified as one of the individuals who worked in such a position during that time period.

By entering into this CA, Recology has not admitted nor has there been any adjudicated finding that Recology violated any laws regarding compensation. Recology has entered into this CA for its convenience and to resolve the matter without further legal proceeding.

As part of this CA, you may be eligible to receive a monetary distribution of \$5,405.80 subject to lawful payroll deductions. In order to be eligible for this distribution, you must execute and return the enclosed Release of Claims **within forty-five (45) days of the postmark of this letter (or "within forty-five (45) days from your receipt of this letter" if received personally) to:**

**Recology San Francisco
ATTENTION: Human Resources
250 Executive Park, Suite 2100, San Francisco, CA 94134**

If you fail to return the required documentation within the specified timeframe, you will be ineligible for monetary relief provided by this CA.

If you have any questions, please feel free to call me at (415) 715-6211 during normal business hours.

Sincerely,

Kathy Jamison
Sr. Human Resources Manager, San Francisco Region

Enclosure: Release of Claims

cc: **(b) (7) (c)** Equal Opportunity Specialist, U.S. Department of Labor, OFCCP

Attachment B

RELEASE OF CLAIMS

In consideration of the monetary payment (less deductions required by law) by Recology San Francisco (hereinafter Recology) of \$5,405.80 to me, which I agree is acceptable, and also in consideration of the Conciliation Agreement between Recology and the Office of Federal Contract Compliance Programs (hereinafter "OFCCP"), I agree to the following:

I.

I hereby waive, release and forever discharge Recology, its predecessors, related entities, subsidiaries, and organizations, and its and their directors, officers, employees, agents, successors, and assigns, of and from any and all actions, causes of action, damages, liabilities, and claims arising out of or actionable under Executive Order 11246, as amended, the Rehabilitation Act of 1973, as amended, and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (U.S.C. 4212), and all other applicable laws governing nondiscrimination in employment, which I or my representatives (heirs, executors, administrators, or assigns) have or may have which relate in any way to my compensation at any time prior to the effective date of this Release.

II.

I understand that if I am concerned about how the process described in this Release applies to me, I may contact OFCCP Equal Opportunity Specialist (b) (7) (c) for assistance at U.S. Department of Labor/OFCCP, 90 7th Street, Suite 11-100, San Francisco, CA 94103, phone number (b) (7) (c)

III.

I understand that Recology denies that it treated me unlawfully or unfairly in any way and that Recology entered into the above-referenced Conciliation Agreement with OFCCP in the spirit of conciliation and to bring closure to the compliance evaluation initiated by OFCCP on March 24, 2010. I further agree that the payment of the aforesaid sum by Recology to me is not to be construed as an admission of any liability by Recology.

IV.

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. I further declare that I have decided of my own free will to sign this Release.

V.

I understand that if I do not sign this Release and return it to Recology's Sr. Human Resources Manager, Kathy Jamison, 250 Executive Park, Suite 2100, San Francisco, CA 94134 postmarked **within forty-five (45) calendar days from the date my Notification Letter was postmarked**, I will not be entitled to receive the payment (less deductions required by law) from Recology.

IN WITNESS WHEREOF, I am signing this document of my own free will.

Name (please print)

Signature

Date