

**CONCILIATION AGREEMENT
BETWEEN THE
U. S. DEPARTMENT OF LABOR
OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS
AND
ST. VINCENT HEALTH SYSTEM
232 WEST 25TH ST.
ERIE, PA 16544**

PART I: General Provisions

1. This Agreement is between the Office of Federal Contract Compliance Programs (hereinafter OFCCP) and St. Vincent Health System located at 232 West 25th St., Erie, Pennsylvania.
2. The violation identified in this Agreement was found during a compliance review of St. Vincent Health System which began on May 9, 2011 and they were specified in a Notice of Violation issued December 14, 2011. OFCCP alleges that St. Vincent Health System has violated Executive Order 11246, as amended, and the implementing regulations at 41 CFR Chapter 60 due to the specific violation cited in Part II below.
3. The provisions of this Agreement will become part of St. Vincent Health System's Affirmative Action Plan (AAP). Subject to the performance by St. Vincent Health System of all promises and representations contained herein and in its AAP, all named violations in regard to the compliance of St. Vincent Health System with all OFCCP programs will be deemed resolved. However, St. Vincent Health System 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.
4. St. Vincent Health System 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 St. Vincent Health System's compliance. St. Vincent Health System shall permit access to its premises during normal business hours for these purposes.
5. Nothing herein is intended to relieve St. Vincent Health System 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, formerly 2012), and implementing regulations, or any other equal employment statute or executive order or its implementing regulations.

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/or, the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212).

7. 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 Director, OFCCP indicates otherwise within 45 days of the District Director's signature of this Agreement.
8. If at any time in the future, OFCCP believes that St. Vincent Health System has violated any portion of this Agreement during the term of this Agreement, St. Vincent Health System 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 St. Vincent Health System 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 St. Vincent Health System has violated this Conciliation Agreement, OFCCP may seek enforcement of this Agreement itself and shall not be required to present proof of the underlying violations resolved by this Agreement.

Liability for violation of this Agreement may subject St. Vincent Health System to sanctions set forth in Section 209 of the Executive Order, and/or other appropriate relief.

PART II: Specific Provisions

VIOLATION: OFCCP alleges that St. Vincent Health System paid a female employee at a rate that is significantly less than a comparable male employee in the same job title and therefore discriminated against the female employee on the basis of her sex with regard to her compensation. Specifically, OFCCP alleges that St. Vincent Health System paid a female employee with the job title (b) (7)(C) less than a similarly situated male employee in the same job title in violation of 41 CFR 60-1.4(a)(1), 60-20.3(c), and 60-20.5(a).

REMEDY: St. Vincent Health System will implement the following remedial "make whole actions:"

- a. Within fifteen (15) days of the effective date of this Agreement, St. Vincent Health System will send to the female (b) (7)(C) employee, (listed in Attachment A), a copy of Attachment B entitled "Notice to Employee" along

with the two forms enclosed therewith, "Address and Social Security Verification Form" and "Release of Claims Under Executive Order 11246" ("Forms"). To be eligible for a distribution of back pay, the female (b) (7)(C) employee must complete and return both Forms to St. Vincent Health System so that they are postmarked within 25 days of the postmark date of the "Notice to Employee," form sent to the female (b) (7)(C) employee.

- b. **Back Pay:** Back pay and interest will be provided to the female (b) (7)(C) employee. St. Vincent Health System will mail a back pay check, less deductions required by law, to the female (b) (7)(C) employee, if she completes and returns the "Address and Social Security Verification Form" and "Release of Claims Under Executive Order 11246" Form within 25 days of the postmark date of the "Notice to Employee" in the amount of \$7,424.60.

St. Vincent Health System will mail the check no later than 30 days after the conclusion of the 25 day time period if the (b) (7) (c) employee qualified by returning her completed Forms as outlined above.

- c. **Salary Adjustment:** Within thirty (30) days of the effective date of this Agreement, St. Vincent Health System will increase the female (b) (7)(C) salary \$3.50 per hour; from \$26.50 per hour to \$30.00 per hour. This salary adjustment shall be in addition to any regularly scheduled salary increases.
- d. **Fringe Benefits:** Any fringe benefits, including but not limited to: health plan and retirement plan benefits and/or contributions, not provided to the female (b) (7)(C) employee, which was a result of her being paid less than similarly situated males will be compensated to (b) (7)(C) within thirty (30) days.
- e. **Training:** St. Vincent Health System will develop standardized compensation guidelines for salaries for its (b) (7)(C) employees. To ensure that the guidelines are applied uniformly and salary decisions for all (b) (7)(C) employees are made in a non-discriminatory manner, St. Vincent Health System agrees to provide training on the new compensation guidelines to all human resource personnel, and managers who are involved and/or make compensation decisions with respect to (b) (7)(C) employees. St. Vincent Health System agrees to provide training to all managerial and human resources personnel within sixty (60) days of the effective date of this Agreement. St. Vincent Health System will provide documentation to OFCCP of the subjects discussed; the materials reviewed the employees in attendance during the training session(s).
- f. **Internal auditing:** St. Vincent Health System will annually conduct a review of its total employment process, including compensation, to determine whether and where impediments to equal employment opportunity exist. St. Vincent Health

System will immediately take corrective action to eliminate any impediments that are discovered during the in-depth analyses.

PART III: Reporting

In order for OFCCP to monitor St. Vincent Health System's progress toward fulfilling the provisions of this Agreement, St. Vincent Health System agrees to submit (3) Reports to the OFCCP's Pittsburgh District Office. The date of signature by OFCCP's District Director shall constitute the effective date of this Agreement.

The first Report shall be due within sixty (60) days of the effective date of this Agreement and include the following:

- a. Copies of the completed Forms B and C received from the female (b) (7) (c) employee (see Paragraph (a) of the Remedy to the Violation in Part II of this Agreement).
- b. A copy of the back pay check issued to the female (b) (7) (c) employee (see Paragraph (b) of the Remedy to the Violation in Part II of this Agreement).
- c. Documentation verifying the salary adjustment to the female (b) (7) (c) employee (see Paragraph (c) of the Remedy to the Violation in Part II of this Agreement).

St. Vincent Health System will provide a written explanation and supporting documentation if any of the documentation listed above is missing from the first report.

The second Report shall be due (8) months after the effective date of this Conciliation Agreement and shall cover the six (6) month period of time beginning on the effective date of this Agreement and shall be mailed within thirty (30) days after the close of the first six month period.

- a. Documentation confirming that St. Vincent Health System developed and implemented a training program for all employees responsible for making compensation decisions for the (b) (7) (c) position.
- b. Documentation on how St. Vincent Health System monitored salaries to ensure non-discrimination and reviewed individual salaries at the time of hire and promotion to ensure proper placement within the compensation structure.
- c. Documentation of the actions taken and results if pay disparities were found in the facility among gender and racial/ethnic groups.
- d. Documentation that St. Vincent Health System has conducted internal auditing which measures the effectiveness of St. Vincent Health System's Affirmative Action Program.

St. Vincent Health System will provide a written explanation and supporting documentation if any of the documentation listed above is missing from the second report.

The third Report shall cover the successive eight month period, and shall be mailed within thirty (30 days) after the close of that eight month period.

- a. Documentation, if applicable, confirming that St. Vincent Health System has continued to train all employees responsible for compensation decisions for the (b) (7) (c) position, excluding those employees previously trained in fulfillment of progress report two.
- b. Documentation that St. Vincent Health System has continued to execute an internal auditing and reporting system which measures the effectiveness of its Affirmative Action Program which includes:
 1. Documentation on how St. Vincent Health System monitored salaries to ensure non-discrimination and reviewed individual salaries at the time of hire and promotion to ensure proper placement within the compensation structure.
 2. The results of its compensation structure review that compared rates of pay by gender and ethnic groups separated by job title.
 3. Documentation of the actions taken when pay disparities were found in the facility among gender and ethnic groups.

St. Vincent Health System will provide a written explanation and supporting documentation if any of the documentation listed above is missing from any of the above reports.

St. Vincent Health System will retain all records pertinent to the alleged violations settled by this Conciliation Agreement and the Reports submitted under it (including the underlying data/information upon which the reports are based) until the expiration date of this Conciliation Agreement or consistent with regulatory timeframes, whichever is later.

St. Vincent Health System shall send each Progress Report to:

Tracie Brown
District Director
U.S. Department of Labor
Office of Federal Contract Compliance Programs
Pittsburgh District Office
Room 2103 Federal Building
1000 Liberty Avenue
Pittsburgh, PA 15222

Expiration Date:

This Conciliation Agreement will expire sixty (60) days after receipt of the final progress report, or, if compliance is not accomplished by that date, then this Conciliation Agreement shall remain in full force and effect until OFCCP has determined that St. Vincent Health System has met all conditions of this Agreement.

PART IV: Signatures

This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and St. Vincent Health System, 232 West 25th St., Erie, PA 16544.

(b) (7) (c)

SCOTT WHELAN
President & CEO
St. Vincent Health System
Erie, PA

01/24/2012
DATE

(b) (7) (c)

Compliance Officer
U.S. Department of Labor/OFCCP
Pittsburgh District Office

1/30/12
DATE

(b) (7) (c)

NATALIE ALLEN
Assistant District Director
U.S. Department of Labor/OFCCP
Pittsburgh District Office

1/30/2012
DATE

(b) (7) (c)

TRACIE BROWN
District Director
U.S. Department of Labor/OFCCP
Pittsburgh District Office

1/30/2012
DATE