

**Conciliation Agreement**  
**Between the United States Department of Labor**  
**Office of Federal Contract Compliance Programs**  
**And**  
**Taylor Engineering, Inc.**  
**10151 Deerwood Park Boulevard**  
**Building 300, Suite 300**  
**Jacksonville, Florida 32256**

**PART I: General Provisions**

1. This Agreement is between the Office of Federal Contract Compliance Programs (hereinafter OFCCP) and Taylor Engineering, Inc. (hereinafter Taylor).
2. The violations identified in this Agreement were found during a compliance evaluation of Taylor at its establishment located at 10151 Deerwood Park Boulevard, Jacksonville, Florida which began on March 10, 2010, and they were specified in a Notice of Violation issued May 19, 2010. OFCCP alleges that Taylor 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 their implementing regulations at 41 CFR Chapter 60, due to the specific violation cited in Part II below.
3. This Agreement does not constitute an admission by Taylor 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 their implementing regulations.
4. The provisions of this Agreement will become part of Taylor's affirmative action programs (AAPs). Subject to the performance by Taylor of all promises and representations contained herein and in its AAPs, all named violations in regard to the compliance of Taylor with all OFCCP programs will be deemed resolved. However, Taylor 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. Taylor 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 Taylor's compliance. Taylor shall permit access to its premises during normal business hours for these purposes.
6. Nothing herein is intended to relieve Taylor 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. Taylor 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,

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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 Deputy Assistant Secretary, OFCCP, indicates otherwise within 45 days of the Regional Director's signature on this Agreement.
9. If, at any time in the future, OFCCP believes that Taylor has violated any portion of this Agreement during the term of this Agreement, Taylor 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 Taylor 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 Taylor 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 Taylor to sanctions set forth in Section 209 of the Executive Order, 41 CFR 60-300.66, 41 CFR 60-741.66 and/or other appropriate relief.

**PART II: Specific Provisions**

1. **VIOLATION:** Compensation data provided by Taylor on March 10, 2010, revealed that Taylor provided lower compensation to a minority than to a similarly situated non-minority employee in the (b) (7)(C) job title. Time with Taylor, time in current job title, experience, licenses held, and performance did not explain the disparity in compensation. Accordingly, OFCCP finds that Taylor discriminated against a minority (b) (7) (c) (hereinafter Employee), by paying him less, because of his race, than (b) (7) (c) comparator, in violation of 41 CFR 60-1.4(a) (1).

**REMEDY:** Although Taylor affirms that this disparity in pay was unintentional, Taylor will provide the Employee named on Attachment A to this Agreement with a remedy, also delineated on Attachment A and as indicated below.

Taylor will provide the Employee with an annual salary adjustment of (b) (7) (C). Additionally, Taylor will disburse to the Employee \$4,990 in back pay, \$127.53 in interest, and provide the Employee with a \$320 Employee Stock Ownership Plan adjustment in a package totaling \$5,437.53. Taylor will provide the Employee with back pay and interest in one lump sum; the lump sum will be reduced by withholdings for federal income tax, state, and/or local income tax, and FICA. Taylor will provide the Employee with an IRS Form W-2 for back pay and benefits and an IRS Form 1099 for the interest amount. Taylor will complete the execution of

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this financial settlement no sooner than 45 days and no later than 60 days after the Regional Director, OFCCP signs this Agreement.

Taylor will not retaliate, harass, or engage in any form of reprisal or other adverse action against the Employee 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, Taylor will provide training on its equal employment opportunity programs for all persons involved in determining compensation amounts paid to Taylor's Employees. Taylor will update this training annually.

Taylor will immediately review and revise, as appropriate, its compensation system to ensure that this violation ceases. In addition, Taylor will review at least annually and revise, as needed, its compensation system to ensure that this violation does not recur.

2. **VIOLATION:** Taylor failed to preserve all personnel and employment records for a period of not less than two years from the date of the making of the record or the personnel action involved, whichever came later. Specifically Taylor failed to preserve all applications for employment. 41 CFR 60-1.12(a), 41 CFR 60-300.80(a) and 41 CFR 60-741.80(a).

**REMEDY:** Taylor will preserve all personnel and employment records it makes in either electronic or hard copy format, including all applications, for a period of not less than two years from the date of the making of the record or the personnel action involved, whichever occurs later. Where a compliance evaluation has been initiated by OFCCP, Taylor will preserve all employment and personnel records beyond the one-year period, if applicable, until OFCCP makes a final disposition in the matter.

3. **VIOLATION:** Taylor failed to maintain and have available for inspection records or other information that disclose the impact which Taylor's selection procedures have upon employment opportunities of applicants and/or Internet applicants by identifiable gender, race or ethnic group set forth in 41 CFR 60-3.4B in order to determine compliance with the Uniform Selection Guidelines. Specifically, Taylor failed to evaluate the individual components of the selection process for adverse impact. 41 CFR 60-3.4 and 41 CFR 60-3.15A (2).

**REMEDY:** Taylor will perform adverse impact determinations of its employment procedures at least annually. Where the total selection process for a job has adverse impact against groups of applicants and/or Internet applicants by identifiable gender, race or ethnic group identified in 41 CFR 60-3.4B, Taylor will maintain and have available for inspection records or other information showing which components have an adverse impact. Where the total selection process for a particular job has had an adverse impact in any year but no longer has an adverse impact, Taylor will maintain and have available the aforementioned information and continue to collect such information for at least two years after the adverse impact has been eliminated.

4. **VIOLATION:** Taylor 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 where the openings occur. Additionally, Taylor failed to undertake appropriate outreach and positive recruitment activities that are

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

(b) (7)(C) Local Veterans' Employment Representative  
Workforce Career Center  
1845 Town Center Boulevard, Suite 150, Fleming Island, Florida 32003  
Telephone: (904) 213-3888, Extension (b) (7)(C)

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

**PART III: Reporting**

Taylor shall submit **two reports**, as stated below, to Sybil Shy-Demmons, District Director—Jacksonville, United States Department of Labor, Office of Federal Contract Compliance Programs, 400 West Bay Street, Suite 939, Jacksonville, Florida 32202.

The **first report** shall be due 120 days after the date on which the District Director, OFCCP signs this Agreement. The first report shall consist of the following information:

1. Copies of personnel forms confirming salary adjustments made to the Employee;
2. Evidence of a) back pay and interest monies disbursed to the Employee and b) Employee Stock Ownership Plan adjustment, including copies of the cancelled checks and pay slips showing the gross amount and legal deductions;
3. Results of Taylor's review of its compensation system, to include findings, additional equity adjustments and back pay, if any; and
4. Documentation of training that Taylor provided on its equal employment opportunity programs for all persons involved in determining compensation amounts paid to Taylor's employees.

The **second report** shall cover the 12-month period beginning the date on which the District Director, OFCCP signs this Agreement and shall be due 30 days after the close of that 12-month period. The second report shall consist of the following information:

1. The results of Taylor's annual review of its compensation system, including findings, additional equity adjustments and back pay, if any;
2. The total number of applicants and hires for each job or job group during the reporting period;

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3. For each job or job group, the breakdown of applicants and hires by applicable gender, race and ethnic group, as identified in 41 CFR 60-3.4B;
4. For each job or job group, the results of Taylor's analysis as to whether its total selection process has adverse impact, as defined in 41 CFR 60-3.4D, on those members of groups identified in 41 CFR 60-3.4B;
5. For each job or job group where the total selection process has an adverse impact, the qualification(s) that Taylor used, if any, and the stage at which Taylor used the qualification(s) as a screening device;
6. For each job or job group where the total selection process has an adverse impact, as defined in 41 CFR 60-3.4D, the results of Taylor's evaluation of the individual components of the selection process for adverse impact;
7. The actions taken by Taylor where action is appropriate, after determining that any component of the selection process has an adverse impact on members of groups identified in 41 CFR 60-3.4B; and
8. Documentation that Taylor a) listed all job openings, as defined by 41 CFR 60-300.5(a) 2 and 6, with the Florida State Job Bank or with the Florida Workforce Career Center serving the location where openings occur; and b) contacted the resources identified in Remedy 3 of Part II above, along with a report on the number of referrals and the number of hires from those listings, and from Taylor'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.

**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 Taylor that it has satisfied its reporting requirements, whichever occurs earlier, unless OFCCP notifies Taylor in writing prior to the end of the 90-day period that Taylor has not satisfied its reporting requirements pursuant to this Agreement.

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**PART IV: Signatures**

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

DATE: May 27, 2010

(b) (7) (c)



**Terrence Hull**  
President  
Taylor Engineering, Inc.  
10151 Deerwood Park Boulevard  
Building 300, Suite 300  
Jacksonville, Florida 32256

DATE: June 7, 2010

(b) (7) (e)



Compliance Officer—Southeast  
Office of Federal Contract Compliance  
Programs

DATE: June 7, 2010

(b) (7) (c)



**Natelya Hale**  
Assistant District Director—Southeast  
Office of Federal Contract Compliance  
Programs

DATE: June 9, 2010

(b) (7) (c)



**Sybil Sly-Demmons**  
District Director—Atlanta  
Office of Federal Contract Compliance  
Programs