

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
and
Clean Textile Systems LP

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated the Clean Textile Systems LP (Clean Textile Systems) establishment located at 40 51st Street, Pittsburgh, PA 15201, beginning on October 2, 2020. OFCCP found that Clean Textile Systems failed to comply with Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 (Section 503) and its respective implementing regulations at 41 C.F.R. 60-741.

OFCCP notified Clean Textile Systems of the specific violations and the corrective actions required in a Notice of Violation (NOV) issued on May 28, 2021.

In the interest of resolving the violations without engaging in further legal proceedings and in exchange for sufficient consideration described in this document, OFCCP and Clean Textile Systems enter into this Conciliation Agreement (Agreement) and its attachments, and the parties agree to all the terms therein.

II. General Terms and Conditions

1. In exchange for Clean Textile Systems' fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under Executive Order 11246, as amended, (E.O. 11246 or the Executive Order), Section 503, and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 (VEVRAA) based on the violations alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Clean Textile Systems violates any provision of this Agreement, as set forth in Paragraph 10, below. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. OFCCP may review Clean Textile Systems' compliance with this Agreement. As part of this review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. Clean Textile Systems will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all hard copy or electronic reports and documents OFCCP requests, including those specified in this Agreement.
3. Nothing in this Agreement relieves Clean Textile Systems of its obligation to fully comply with the requirements of E.O. 11246, Section 503, VEVRAA, their implementing regulations, or other applicable laws requiring nondiscrimination or equal employment opportunity through affirmative action.

4. Clean Textile Systems agrees that it will not retaliate against any potential or actual beneficiary of this Agreement or against any person who files a complaint, who has provided information or assistance, or who participates in any manner in any proceeding in this matter.
5. The parties understand the terms of this Agreement and enter into it voluntarily.
6. This Agreement constitutes the entire Agreement and represents the complete and final understanding of the parties. This Agreement contains all of the terms binding the parties and it supersedes all prior written and oral negotiations and agreements. Any modifications or amendments to this Agreement must be agreed upon in writing and signed by all parties. If an administrative error is found, OFCCP will work in good faith with all parties to make the corrections.
7. This Agreement becomes effective on the day it is signed by the Acting Assistant District Director (Effective Date).
8. If one or more provisions of this Agreement is deemed unlawful or unenforceable, the remaining provisions will remain in full force and effect.
9. This Agreement will expire sixty (60) days after Clean Textile Systems submits its final progress report required in Section IV, below, unless OFCCP notifies Clean Textile Systems in writing before the expiration date that Clean Textile Systems has failed to fulfill all of its obligations under the Agreement. In this instance, the Agreement is automatically extended until the date that OFCCP determines that Clean Textile Systems has met all of its obligations under the Agreement.
10. If Clean Textile Systems violates this Agreement:
 - a. The procedures at 41 C.F.R. 60-741.63 will govern:
 - i. OFCCP will send Clean Textile Systems a written notice stating the alleged violation(s) and summarizing any supporting evidence.
 - ii. The Clean Textile Systems shall have fifteen (15) days from receipt of the notice to respond, except in those cases in which such a delay would result in irreparable injury to the employment rights of affected employees or applicants.
 - iii. If Clean Textile Systems is unable to demonstrate that it has not violated the Agreement, or if OFCCP alleges irreparable injury, enforcement proceedings may be initiated immediately without issuing a show cause notice or proceeding through any other requirement.
 - iv. In the event of a breach of this Agreement by the Clean Textile Systems, OFCCP may elect to proceed to a hearing on the entire case and seek full make-whole relief, and not be limited to the terms in the Agreement.

- b. Clean Textile Systems may be subject to the sanctions set forth in 41 C.F.R. 60-741.66, and/or other appropriate relief for violating this Agreement.
- 11. Clean Textile Systems does not admit any violation of the Executive Order, Section 503 or VEVRAA, nor has there been an adjudication on the merits regarding any such violation.
- 12. OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations resolved by this Agreement.
- 13. The parties understand and agree that nothing in this Agreement is binding on other governmental departments or agencies other than the United States Department of Labor.
- 14. Each party shall bear its own fees and expenses with respect to this matter.
- 15. This Agreement is limited to the facts of this case. Neither this Agreement, nor any part of the negotiations that occurred in connection with this Agreement, shall constitute admissible evidence with respect to any OFCCP policy, practice or position in any lawsuit, legal proceeding, administrative proceeding, compliance evaluation, or audit, except for legal or administrative proceedings concerning the enforcement or interpretation of this specific Agreement.
- 16. All references to “days” in this Agreement are calendar days. If any deadline for an obligation scheduled to be performed under this Agreement falls on a weekend or a Federal holiday, that deadline will be extended to the next business day.

III. Technical Violations and Remedies

Violation 1: During the period August 1, 2019, through July 31, 2020, Clean Textile Systems failed to periodically review its personnel processes and make any necessary modifications to ensure that these obligations were carried out; and failed to include a description of the review and any necessary modifications to personnel processes or development of new processes in its AAP, as required by 41 CFR 60-741.44(b).

Remedy 1: Clean Textile Systems will ensure that its personnel processes provide for careful, thorough, and systematic consideration of the job qualifications of applicants and employees with known disabilities for job vacancies filled either by hiring or promotion, and for all training opportunities offered or available; ensure that its personnel processes do not stereotype individuals with disabilities in a manner which limits their access to all jobs for which they are qualified; ensure that applicants and employees with disabilities have equal access to its personnel processes, including those implemented through information and communication technologies failed to provide necessary reasonable accommodation to ensure applicants and employees with disabilities receive equal opportunity in the operation of personnel processes; periodically review its personnel processes and make any necessary modifications to ensure that these obligations are carried out; and include a description of the review

and any necessary modifications to personnel processes or development of new processes in its AAP.

Violation 2: During the period August 1, 2019 through July 31, 2020, Clean Textile Systems failed to undertake appropriate outreach and positive recruitment activities that were reasonably designed to effectively recruit qualified individuals with disabilities, in violation of 41 CFR 60-741.44(f). Specifically, Clean Textile Systems LP did not undertake any outreach and positive recruitment activities that were reasonably designed to effectively recruit qualified individuals with disabilities.

Remedy 2: Clean Textile Systems will undertake appropriate outreach and positive recruitment activities that are reasonably designed to effectively recruit qualified individuals with disabilities, document these activities, assess their effectiveness, and document its review, as required by 41 CFR 60-741.44(f).

Violation 3: During the period August 1, 2017 through July 31, 2019, Clean Textile Systems failed to document and maintain the required data pertaining to applicants and hires, in violation of 41 CFR 60-741.44(k).

Remedy 3: Clean Textile Systems will document the following computations or comparisons pertaining to applicants and hires, on an annual basis, and will maintain this data for three (3) years, as required by 41 CFR 60-741.44(k):

- The number of applicants who self-identified as individuals with disabilities, or who are otherwise known to be individuals with disabilities;
- The total number of job openings and total number of jobs filled;
- The total number of applicants for all jobs;
- The number of applicants with disabilities hired; and
- The total number of applicants hired.

IV. OFCCP Monitoring Period

1. **Recordkeeping.** Clean Textile Systems agrees to retain all records relevant to the violations cited in Section III above and the reports submitted in compliance with Paragraph 2, below. These records include underlying data and information such as Human Resources Information System (HRIS) and payroll data, job applications and personnel records, and any other records or data used to generate the required reports. Clean Textile Systems will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.
2. **Contractor Reports.**

Clean Textile Systems agrees to furnish OFCCP with the following reports during the Monitoring Period. Each report will contain the documentation specified according to the dates scheduled:

a. Progress Report 1: Due on March 2, 2022 covering the period of August 1, 2021, through January 31, 2022.

- i. For Violation 2: Documentation to verify that Clean Textile Systems undertook appropriate outreach and positive recruitment activities reasonably designed to effectively recruit qualified individuals with disabilities and conducted an assessment of its efforts. This documentation should include a copy of the sections of Clean Textile Systems' AAP that list: 1) Its outreach activities with supporting documentation; and 2) An assessment of the effectiveness of each activity, as required by 41 CFR 60-741.44(f)(3). Clean Textile Systems should note that 41 CFR 60-741.44(f) lists examples of several resources that may aid contractors in effectively recruiting and employing qualified individuals with disabilities.
- ii. For Violation 2: Copies of all responses or other related correspondence received from each of the organizations used during the reporting period in efforts to recruit qualified individuals with disabilities.

b. Progress Report 2: Due on August 30, 2022 covering the period of February 1, 2022, through July 31, 2022.

- i. For Violation 1: A copy of Clean Textile Systems' most recent assessment of its personnel processes, including the date Clean Textile Systems completed the assessment, a description of the assessment and any actions taken or changes made as a result of the assessment
- ii. For Violation 2: Documentation to verify that Clean Textile Systems undertook appropriate outreach and positive recruitment activities reasonably designed to effectively recruit qualified individuals with disabilities and conducted an assessment of its efforts. This documentation should include a copy of the sections of Clean Textile Systems' AAP that list: 1) Its outreach activities with supporting documentation; 2) An assessment of the effectiveness of each activity; and 3) A copy of Clean Textile Systems' annual assessment of the totality of its outreach activities, as required by 41 CFR 60-741.44(f)(3). Clean Textile Systems should note that 41 CFR 60-741.44(f) lists examples of several resources that may aid contractors in effectively recruiting and employing qualified individuals with disabilities.
- iii. For Violation 2: Copies of all responses or other related correspondence received from each of the organizations used during the reporting period in efforts to recruit qualified individuals with disabilities.

iv. For Violation 3: Documentation of the computations or comparisons described in 41 CFR § 60-741.44(k) for the period of August 1, 2021, to July 31, 2023, to include:

- The number of applicants who self-identified as individuals with disabilities, or who are otherwise known to be individuals with disabilities;
- The total number of job openings and total number of jobs filled;
- The total number of applicants for all jobs;
- The number of applicants with disabilities hired; and
- The total number of applicants hired.

Clean Textile Systems will submit reports to Acting Assistant District Director Shanae Moody at (b) (6), (b) (7)(C)@dol.gov. Clean Textile Systems and OFCCP have a common interest in the information being provided in the reports pursuant to this Agreement. To the extent any of the reports Clean Textile Systems provides in accordance with this Agreement are trade secrets, commercial, and/or financial in nature, and customarily kept private or closely-held, and the Clean Textile Systems believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, Clean Textile Systems will provide such reports to OFCCP marked as “Confidential”. In the event of a FOIA request, OFCCP will promptly notify Clean Textile Systems of the FOIA request and provide Clean Textile Systems an opportunity to object to disclosure. OFCCP will withhold disclosure of such reports to the maximum extent allowable by law.

3. **Close of Monitoring Period and Termination of Agreement.** This Agreement shall remain in effect until the monitoring period is completed. The monitoring period will close once OFCCP accepts Clean Textile Systems’ final progress report as set forth in Section II, Paragraph 9 above. If OFCCP fails to notify Clean Textile Systems in writing within sixty (60) days of the date of the final progress report that Clean Textile Systems has not fulfilled all of its obligations under the Agreement, OFCCP will be deemed to have accepted the final report and the Monitoring Period and this Agreement will terminate. If OFCCP notifies Clean Textile Systems within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines Clean Textile Systems has met all of its obligations under the Agreement.

V. SIGNATURES

The person signing this Agreement on behalf of Clean Textile Systems personally warrants that he or she is fully authorized to do so, that Clean Textile Systems has entered into this Agreement voluntarily and with full knowledge of its effect, and that execution of this Agreement is fully binding on Clean Textile Systems.

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Clean Textile Systems LP, 40 51st Street, Pittsburgh, PA 15201.

(b) (6), (b) (7)(C)

Douglass Ostrow

CEO

Clean Textile Systems LP

Pittsburgh, PA

DATE: 5/28/21

(b) (6), (b) (7)(C)

Shanae Moody

Acting Assistant District Director
Mid-Atlantic Region

DATE: 6/4/2021

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(E)

Compliance Officer
Mid-Atlantic Region

DATE: 6/4/2021