

Conciliation Agreement
between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
and
AlliedBarton Security Services LLC
229 West 36th Street
New York, NY 10018

OFCCP Case No. R00193171

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated the AlliedBarton Security Services LLC establishment located at 229 West 36th Street, New York, NY 10018, beginning on October 28, 2014. OFCCP found that AlliedBarton Security Services LLC (AlliedBarton) failed to comply with Executive Order 11246, as amended, (E.O. 11246) and its respective implementing regulations at 41 CFR Chapter 60.

OFCCP notified AlliedBarton of the specific violations and the corrective actions required in a Notice of Violation issued on July 27, 2020 (NOV). In the interest of resolving the violations without engaging in further legal proceedings and in exchange for sufficient and valuable consideration described in this document, OFCCP and AlliedBarton enter into this Conciliation Agreement (Agreement) and its attachments, and the parties agree to all the terms therein. The attachments to this Agreement are deemed incorporated into this Agreement.

II. General Terms and Conditions

1. In exchange for AlliedBarton's fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under E.O. 11246 based on the violations alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if AlliedBarton violates any provision of this Agreement, as set forth in Paragraph 11, below. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. OFCCP may review AlliedBarton's compliance with this Agreement. As part of this review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. AlliedBarton 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 it requests, including those specified in this Agreement.
3. Nothing in this Agreement relieves AlliedBarton of its obligation to fully comply with the requirements of E.O. 11246, Section 503 of the Rehabilitation Act of 1973, as amended, (Section 503), Vietnam Era Veterans Readjustment Assistance Act, as amended,

(VEVRAA), their implementing regulations, or other applicable laws requiring nondiscrimination or equal employment opportunity through affirmative action.

4. AlliedBarton and OFCCP agree that any release of claims required by this Agreement will only pertain to claims under E.O. 11246.
5. AlliedBarton 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.
6. The parties understand the terms of this Agreement and enter into it voluntarily.
7. This Agreement, including its attachments, 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.
8. This Agreement becomes effective on the day it is signed by the Regional Director of the Northeast Region (Effective Date).
9. If one or more provisions of this Agreement is deemed unlawful or unenforceable, the remaining provisions will remain in full force and effect.
10. This Agreement will expire sixty (60) days after AlliedBarton submits its final progress report required in Part VII, below, unless OFCCP, in good faith, notifies AlliedBarton in writing before the expiration date that AlliedBarton has failed to fulfill all of its obligations under the Agreement. In this instance, the Agreement is automatically extended until the date that OFCCP, in good faith, determines that AlliedBarton has met all of its obligations under the Agreement.
11. If AlliedBarton violates this Agreement:
 - a. The procedures at 41 C.F.R. 60-1.34 will govern:
 - i. OFCCP will send AlliedBarton a written notice stating the alleged violations and summarizing any supporting evidence.
 - ii. AlliedBarton 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 AlliedBarton is unable to demonstrate that it has not violated the Agreement, or if OFCCP's 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 AlliedBarton, 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 agreed to in the Agreement.
 - b. AlliedBarton may be subject to the sanctions set forth in Section 209 of the Executive Order, 41 C.F.R. 60-1.27, and/or other appropriate relief for violating this Agreement.
- 12. This Agreement does not constitute an admission by AlliedBarton of any violation of the E.O. 11246, Section 503, VEVRAA, or other laws, nor has there been an adjudicated finding that AlliedBarton violated any laws.
 - 13. OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations resolved by this Agreement.
 - 14. 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.
 - 15. Each party shall bear its own fees and expenses with respect to this matter.
 - 16. 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.
 - 17. All references to “days” in this Agreement, and in the Timeline included as Attachment B, 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. Discrimination Violations

- 1. **VIOLATION:** OFCCP’s review of AlliedBarton’s compensation practices from November 3, 2012 through November 3, 2014 at its establishment located at 229 West 36th Street, New York, NY 10018 shows that AlliedBarton paid female unarmed Security Officers less than comparable male employees, in violation of Section 202, Paragraph 1 of Executive Order 11246, as amended, 41 CFR § 60-1.4(a)(1), and 41 CFR § 60-20.4. OFCCP found that the pay disparity was due to AlliedBarton assigning female employees to lower paying jobsites as compared to male employees.

2. **VIOLATION:** OFCCP's review of AlliedBarton's compensation practices from November 3, 2012 through November 3, 2014 at its establishment located at 229 West 36th Street, New York, NY 10018 shows that AlliedBarton paid Black unarmed Security Officers less than comparable White employees, in violation of Section 202, Paragraph 1 of Executive Order 11246, as amended, 41 CFR § 60-1.4(a)(1), and 41 CFR § 60-20.4. OFCCP found that the pay disparity was due to AlliedBarton assigning Black employees to lower paying jobsites as compared to White employees.
3. **VIOLATION:** OFCCP's review of AlliedBarton's compensation practices from November 3, 2012 through November 3, 2014 at its establishment located at 229 West 36th Street, New York, NY 10018 shows that AlliedBarton paid American Indian unarmed Security Officers less than comparable White employees, in violation of Section 202, Paragraph 1 of Executive Order 11246, as amended, 41 CFR § 60-1.4(a)(1), and 41 CFR § 60-20.4. OFCCP found that the pay disparity was due to AlliedBarton assigning American Indian employees to lower paying jobsites as compared to White employees.

IV. Financial Remedy

1. Settlement Fund

- a. **Settlement Fund.** AlliedBarton agrees to pay a total of one million one hundred seventy-five thousand dollars (\$1,175,000) in backpay and interest. This settlement fund is a negotiated amount that represents estimated back pay and accrued interest. AlliedBarton's share of contributions/taxes on the portion representing back pay (such as federal, state and/or local statutory taxes and Federal Income Contributions Act (FICA) is not part of the Settlement Fund.
- b. **Specific Settlement Fund Amounts.** The total settlement fund amount includes nine hundred ninety-eight thousand seven hundred fifty dollars (\$998,750) in back pay and one hundred seventy-six thousand two hundred fifty dollars (\$176,250) in interest to resolve specific violations set forth above, as follows:
 - i. **Violation 1:** Seventy-nine thousand nine hundred dollars (\$79,900) in back pay and fourteen thousand one hundred dollars (\$14,100) in interest to female unarmed Security Officers who were employed by AlliedBarton at its establishment located at 229 West 36th Street, New York, NY 10018 between the dates of November 3, 2012 and November 3, 2014.
 - ii. **Violation 2:** Eight hundred sixty-eight thousand nine hundred twelve dollars and fifty cents (\$868,912.50) in back pay and one hundred fifty-three thousand three hundred thirty-seven dollars and fifty cents (\$153,337.50) in interest to Black unarmed Security Officers who were employed by AlliedBarton at its establishment located at 229 West 36th Street, New York, NY 10018 between the dates of November 3, 2012 and November 3, 2014.

- iii. **Violation 2:** Forty-nine thousand nine hundred thirty-seven dollars and fifty cents (\$49,937.50) in back pay and eight thousand eight hundred twelve dollars and fifty cents (\$8,812.50) in interest to American Indian unarmed Security Officers who were employed by AlliedBarton at its establishment located at 229 West 36th Street, New York, NY 10018 between the dates of November 3, 2012 and November 3, 2014.

2. Allocation

- a. **Total Amount to be Allocated.** The back pay and interest amounts of the settlement fund will be distributed among the eligible employees as explained in this Section. Individual shares will include appropriate deductions for each individual's share of payroll deductions required by law on the portion representing back pay only, such as federal FICA/Federal Unemployment Tax Act (FUTA), state or local insurance premiums or taxes.
- b. **Affected Employees Eligible to Receive Payments.** The settlement fund will be distributed to all affected employees (current and former, as defined in Part IV.1.b.i-iii above and identified in Attachment A) who timely respond to the notice process as explained below, and whose eligibility is verified (hereinafter, Eligible Employees). These individuals will be listed on the Final List of Eligible Employees (Final List). The process of determining the Final List is explained below under Notice Process. OFCCP will determine the final amount for each Eligible Employee based on the formula or other terms provided in this Agreement. All Eligible Employees are entitled to their share of the monetary settlement regardless of whether they are currently employed with AlliedBarton.
- c. **Individual Payment Amounts.** Each Eligible Employee will receive an equal share of only one of the three respective settlement fund amounts identified in Part IV.1.b above depending on their protected class (i.e., female, Black, or American Indian). If an Eligible Employee is in more than one protected class covered by a settlement fund amount (i.e., Black/female or American Indian/female), they will receive an equal share of whichever settlement fund amount provides for the largest relief for the Eligible Employee.
- d. **Payments to Eligible Employees.** OFCCP will provide AlliedBarton a list of the payment amount for each Eligible Employee on the Final List by the date set forth on the Timeline. AlliedBarton, either directly or via a claims administrator working on its behalf, will issue checks or make electronic payments to each Eligible Employee in the stated amount, along with appropriate tax reporting forms (such as W-2 and Internal Revenue Service (IRS) Form 1099) by the date set forth on the Timeline. OFCCP will receive timely documentation of all payments made and any payments returned undelivered or any checks not cashed, as set forth on the Timeline. Any check that remains uncashed 180 days after the initial date the check was mailed to the Eligible Employee will be void. With respect to any uncashed funds, AlliedBarton, either directly or via a claims administrator working on its behalf, will make a second

distribution in equal shares to all Eligible Employees who cashed their first check. If any checks remain uncashed 180 days after the second distribution, AlliedBarton will deposit the monies within sixty (60) days with the New York State, Office of State Comptroller, Office of Unclaimed Funds, or with the equivalent state agencies of the last known addresses for the Eligible Employees, in accordance with any and all applicable laws and regulations. No portion of the settlement fund shall revert back, directly or indirectly, to AlliedBarton or any affiliate.

- e. **Tax Payments, Forms and Reporting.** AlliedBarton will pay AlliedBarton's share of social security withholdings, and any other tax payments required by law from additional funds separate from the Settlement Fund. AlliedBarton, either directly or via a claims administrator working on its behalf, shall mail to each Eligible Employee an IRS Form W-2 for that portion of the payment representing back pay and an IRS Form 1099 for that portion of the payment representing interest. These IRS forms will be provided to the Eligible Employees either at the time of payment, electronically or with the settlement checks, or by the deadlines set by applicable law. No Eligible Employee will be required to complete a W-4 or W-9 in order to receive payments under this settlement.

3. Notice Process

- a. **OFCCP and AlliedBarton's Obligations under the Notice Process.** The Notice Process set forth in this Agreement is intended to provide affected employees a meaningful opportunity to understand their rights and obligations and act on them in a timely manner. This includes providing notice to the affected workers through multiple channels, including mail, email, telephone, and in-person, if appropriate, and providing technical assistance to affected employees seeking information about their rights and obligations under this Agreement. As specified in the Timeline and as otherwise necessary to fulfill this Agreement, AlliedBarton and OFCCP will regularly meet and confer in person, by phone and/or by email on the notice process to determine how best to carry out the Notice provisions of this Agreement, and to decide whether any activity, deadline or document should be modified. OFCCP and AlliedBarton agree not to unreasonably withhold consent to reasonable modifications proposed by either party.
- b. **Notice Documents.** AlliedBarton, either directly or via a claims administrator working on its behalf, will distribute notice documents to affected employees identified in Attachment A consistent with the sample notice documents contained in Attachments C, D, and E. The notice documents include a Notice, Release of Claims (unless AlliedBarton elects to waive the release requirement) and Information Verification Forms. The notice documents will make clear the information about the settlement is being provided by or on behalf of the U.S. Department of Labor. As specified in the Timeline and as otherwise necessary to fulfill this Agreement, the parties will meet and confer on any reasonable modifications of the sample notice documents or additions to the materials distributed by AlliedBarton, if proposed by either party.

- c. **Timeline.** Attachment B sets forth the agreed Timeline for notice and for the parties' other obligations under this Agreement. The parties will meet and confer on any reasonable modifications to the Timeline proposed by either party.
- d. **Search for Affected Employees.** OFCCP shall provide AlliedBarton with complete contact information in its possession or its authority to obtain on the affected employees by the date set forth in the Timeline.
- e. **Distribution of Mail Notice to Affected Employees.** AlliedBarton, either directly or via a claims administrator working on its behalf, will provide initial notice by regular first-class mail. AlliedBarton, either directly or via a claims administrator working on its behalf, will send copies of all of the notice documents as defined above, including a postage-paid return envelope, by first class mail to the best available mailing address for each affected employee, by the date set forth in the Timeline. If envelopes from the initial mail notice are returned with forwarding addresses, AlliedBarton either directly or via a claims administrator working on its behalf, will re-mail the notice documents within five (5) days of receipt of the forwarding address.

Based on the response to the initial mail notice, the parties will meet and confer by the date set forth in the Timeline to assess the results of the initial mail notice and to ensure that the second round of mail notice maximizes the potential response rate. A second mail notice will be sent to affected employees with valid addresses who fail to respond to the first mail notice unless the parties agree otherwise.

- f. **Distribution of Notice by Other Means.** AlliedBarton shall work with the OFCCP to develop a recommended plan for notice by other means in addition to first class mail, including, as appropriate, use of email and telephone contact. OFCCP will also conduct independent efforts to communicate with affected employees about this Agreement through email and telephone contact.
- g. **Notice Deadline.** The final deadline for any affected employee to respond to the notice is set forth in the Timeline. The parties will prominently display this deadline on all materials they distribute in paper or online form regarding this Agreement, and explain that failure to respond by this deadline will result in a forfeiture of any relief provided by this Agreement.
- h. **Technical Assistance.** The parties will timely respond to any inquiries from affected employees using information consistent with this Agreement and the notice documents and will document all inquiries and the result. OFCCP will provide contact information for individuals to contact OFCCP regarding this Agreement. The parties will prominently display this contact information on all materials they distribute in paper or online form regarding this Agreement. AlliedBarton will provide OFCCP contact information to any affected employee with questions or concerns.

- i. **Exchange of Information Regarding Affected Employees.** AlliedBarton and OFCCP will timely exchange information regarding Affected Employees, including updated contact information and the results of any technical assistance provided.
- j. **Final List of Eligible Employees.** The Final List will include all eligible, affected employees who timely respond to the notice documents by the deadline set forth in the Timeline and whose eligibility is verified by OFCCP. The parties will establish the Final List by the date set forth in the Timeline. The parties will meet and confer on any outstanding issues or questions regarding the Final List. Either party may identify potentially Eligible Employees who may have been erroneously excluded from the original or any subsequent list. OFCCP shall make the final determinations of eligibility, but will make every effort to negotiate in good faith to resolve any dispute about the Final List. AlliedBarton will provide to OFCCP any information necessary to determine the Final List.
- k. **Documentation of Payments.** By the deadline set forth in the Timeline, AlliedBarton will provide OFCCP with copies of cancelled checks or electronic documentation of all payments to Eligible Employees, including the amounts paid, the date payment was sent, the date payment was received or the check cashed, and any uncashed or returned checks. In the event of a second distribution, AlliedBarton will provide a similar documentation on the second distribution.
- l. **AlliedBarton's Expenses.** AlliedBarton will pay all expenses associated with carrying out its duties pursuant to this Section, from funds separate and apart from the amount designated in this Agreement for the Settlement.

V. Non-Monetary Relief

1. **Eliminate Discriminatory Compensation and Job-Site Placement Practices:** AlliedBarton agrees not to use job-site placement and transfer practices that negatively affect the compensation of females, Blacks, and American Indians in the unarmed Security Officer job. Within ninety (90) days of the Effective Date of this Agreement, AlliedBarton will develop and implement a written job-site placement and transfer policy that will include the following elements:
 - a. AlliedBarton will not employ a "tap on the shoulder" job-site assignment or transfer process.
 - b. Allied will maintain a method of informing all current unarmed Security Officers working out of or reporting to its establishment located at 229 West 36th Street, New York, NY 10018 of openings at job-sites and providing them an opportunity to apply for or transfer to the opening, including, but not necessarily limited, to:

- i. Posting all job-site openings and opportunities for transfer where Allied customarily posts notices to applicants and employees and include with the posting the hourly wage rate for unarmed Security Officers at the job-site;
 - ii. Designating a time period for applicants and employees to submit applications or requests for transfer for each job-site opening, which cannot be shorter than four (4) days from the date the opening is posted, and Allied will not fill any position until after the application period closes, except where otherwise required by contract (e.g., if an unarmed Security Officer's employment ends with less than four days' notice and AlliedBarton's client contract imposes adverse financial consequences on AlliedBarton for not filling the post). AlliedBarton will still include those positions filled before the minimum four (4) day application period closes in the analysis of requisition data to determine if placements are statistically neutral with respect to gender and race pursuant to Part V.3 below; and
 - iii. Making a good faith effort to select the most qualified person who applies or requests a transfer to a job-site using objective criteria such as, but not limited to, prior security officer experience, disciplinary history, attendance, length of service, and performance, except where such selection would conflict with a collective bargaining obligation to use seniority or a recall list when filling a vacancy.
2. **Training:** Within one hundred and fifty days (150) days of the Effective Date of this Agreement and annually thereafter for three years, AlliedBarton will train all individuals working out of or reporting to its establishment located at 229 West 36th Street, New York, NY 10018 involved in any way in placing, assigning, or transferring unarmed Security Officers to jobsites on the written job-site placement and transfer policy developed pursuant to Part V.1 above.
3. **Self-monitoring/Auditing:** On an annual basis for three years, AlliedBarton will monitor compensation and job-site placements for unarmed Security Officers included in the AAP covering its 229 West 36th Street, New York, NY 10018 establishment for any indication of statistically significant disparities based on race/ethnicity or gender, and will investigate and remedy any such inequity that may be established.

The analytical approach for self-monitoring is as follows: AlliedBarton will analyze the natural log of hourly wages of unarmed Security Officers using standard regression techniques/methodology/analysis (also known as Ordinary Least Squares – OLS). AlliedBarton will analyze the pay of unarmed Security Officers using 4-6 distinct regression models. The controls used in all regressions are: (1) years in the current position, defined as the date the employee entered their current job title, (2) years since first hire minus years in the current position, and (3) age at first hire. In addition, separate indicator variables for female status and each minority group will be included in the regression. The indicators for female status and race status will be included in separate regressions. The reference group for gender regressions will always be males. The reference group for the race regressions will be the highest-paid group. If both the female indicator and any racial

minority group are statistically significant, an additional model including an interaction between race and gender must be run.

If there are statistically significant results from the regression model that controls for experience as described above, AlliedBarton will prepare an analysis of the requisition data that are part of this conciliation agreement to determine if the placements are statistically neutral with respect to gender and race. If there are statistically significant outcomes adverse to women or the racial minority groups as described above resulting from the model as described above, then AlliedBarton will determine which sites are influencing the outcomes and will research the pay among those who expressed interest in these sites. In addition, to the extent that the groups with statistically significant outcomes resulting from the model described above (i.e., that there are groups paid statistically significantly less) are shown to be less likely to post to higher paying jobs, then AlliedBarton may use this information to adjust the pay outcomes. AlliedBarton will not be penalized for pay differences resulting from a lack of interest in higher paying jobs.

The following is a description of the requisition analysis: the analysis will examine 1) application to offer; 2) application to hire, and 3) each step of the requisition process. The analyses will be prepared including all applicants as well as an analysis limited to internal applicants. Consistent with the pay analysis the analysis will compare the selection rates of women and men as well as each minority group relative to the race/ethnic group with the highest average pay (e.g., if Hispanics have the highest average pay, then the selection rates would compare each race/ethnic group to that of Hispanic applicants).

Conditional logistic regression will be used to analyze the selection. Requisitions will constitute the strata, or grouping, within the conditional logistic regressions. Furthermore, the regression model will control for all factors with potential impact on placement, in addition to race and gender indicators, as follows: whether the applicant is currently employed at a unionized work site, the seniority of the applicant if they are a union member, and any and all other relevant experience. To the extent that conditional logistic regression is not statistically appropriate, then each requisition will be analyzed separately based on the hypergeometric distribution the results from which will be aggregated using the Mantel-Haenszel procedure. If the sample sizes are small, then the Multevent procedure will be used that allows for the Fisher Exact test to be aggregated.

If race/ethnicity or gender differences that cannot be explained by legitimate factors are identified in AlliedBarton's self-analysis, including statistically significant disparities, AlliedBarton will make pay adjustments and/or job-site placement adjustments to eliminate the differences within thirty (30) days of the date the disparity is found.

VI. Technical Violations and Remedies

1. **VIOLATION:** AlliedBarton failed to perform in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exist. Specifically, AlliedBarton failed to evaluate its compensation system to determine

whether there was gender, race or ethnicity-based disparities for unarmed Security Officers, in violation of 41 CFR § 60-2.17(b)(3).

REMEDY: AlliedBarton will perform in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exist. Specifically, AlliedBarton will analyze its compensation system as part of its in-depth analyses to determine whether gender, race or ethnicity-based disparities exist for unarmed Security Officers in accordance with the requirements of 41 CFR § 60-2.17(b)(3).

2. **VIOLATION:** AlliedBarton failed to execute action-oriented programs designed to correct any problem areas identified. Specifically, AlliedBarton failed to evaluate its compensation system to determine whether there was alleged gender, race or ethnicity-based disparities for unarmed Security Officers, in violation of 41 CFR §60-2.17(c).

REMEDY: AlliedBarton will develop and execute action-oriented programs designed to correct any problem areas identified pursuant to 41 CFR § 60-2.17(b), in accordance with the requirements of 41 CFR §60-2.17(c). In order for these action-oriented programs to be effective, AlliedBarton will ensure that they consist of more than following the same procedures that have produced the alleged gender, race or ethnicity-based pay disparities for unarmed Security Officers. Furthermore, AlliedBarton will demonstrate that it has made good faith efforts to remove identified barriers, expand employment opportunities, and produce measurable results.

3. **VIOLATION:** AlliedBarton failed to develop and implement an auditing system that periodically measures the effectiveness of its total affirmative action program. Specifically, AlliedBarton failed to monitor compensation at all levels of its unarmed Security Officers to ensure that the nondiscriminatory policy is carried out, in violation of 41 CFR § 60-2.17(d)(1)-(4).

REMEDY: AlliedBarton agrees to develop and implement an auditing system to measure the effectiveness of its total affirmative action program, in accordance with 41 CFR § 60-2.17(d)(1)-(4). Specifically, AlliedBarton agrees to:

- a. Monitor records of all personnel activity, including referrals, placements, transfers, promotions, terminations, and compensation, at all levels to ensure the nondiscriminatory policy is carried out;
- b. Require internal reporting on a scheduled basis as to the degree to which equal employment opportunity and organization objectives are attained;
- c. Review report results with all levels of management; and
- d. Advise top management of program effectiveness and submit recommendations to improve unsatisfactory performance.

4. **VIOLATION:** AlliedBarton failed to maintain records or other information which will disclose the impact of its selection procedures on employment opportunities and failed to evaluate its selection process for disparate impact, in violation of 41 CFR §60-3.4. Specifically, AlliedBarton failed to track job-site assignments and failed to evaluate its job-site assignment process for disparate impact. By failing to evaluate its job-site assignment process and identify compensation disparities, AlliedBarton failed to recognize and take remedial action to address compensation discrimination against female, Black, and American Indian unarmed Security Officers.

REMEDY: AlliedBarton will ensure that all records or other information which will disclose the impact of its selection procedures on employment opportunities are maintained and evaluate its selection process for disparate impact, including its job-site assignment process for unarmed Security Officers, in accordance with the requirements of 41 CFR §60-3.4.

VII. OFCCP Monitoring Period

1. **Recordkeeping.** AlliedBarton agrees to retain all records relevant to the alleged violations cited in Parts III and VI 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. AlliedBarton will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.
2. **AlliedBarton Reports.** AlliedBarton will submit the below specified reports to:

District Director
U.S. Department of Labor, OFCCP
New York District Office
26 Federal Plaza, Suite 36-116
New York, NY 10278

AlliedBarton 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 AlliedBarton provides in accordance with this agreement are customarily kept private or closely-held, and AlliedBarton believes should remain confidential under Exemption 4 of FOIA in the event of a FOIA request, AlliedBarton will provide such reports to OFCCP marked as “Confidential”. In the event of a FOIA request, OFCCP will treat any such documents received as confidential documents to the maximum extent by law.

- a. Within sixty (60) calendar days of the Effective Date of this Agreement, AlliedBarton will submit a copy of the written job-site placement and transfer policy developed pursuant to Part V.1 of this Agreement.

- b. Within one hundred fifty (150) days of the Effective Date of this Agreement, pursuant to Part V.2 of this Agreement, AlliedBarton will submit documentation that all individuals involved in any way in placing, assigning, or transferring unarmed Security Officers to jobsites have received training on the written job-site placement and transfer policy. The documentation will include the dates of the training, the names and job titles of all attendees, an outline of the topics discussed during the training, and the name and job title of each person who conducted the training.
- c. **Schedule and Instructions for Annual Progress Reports.** AlliedBarton will submit three annual progress reports. The first report will be due on April 30, 2022. Each subsequent report will be due on April 30th of that year. Each report will utilize compensation data current as of January 1st of that year. AlliedBarton will submit the following in each progress report:
 - i. AlliedBarton's self-analysis of compensation and job-site placement, pursuant to Part V.3 of this Agreement, for all unarmed Security Officers in the Affirmative Action Program for the 229 West 36th Street, New York, NY 10018 establishment, including but not necessarily limited to, the database analyzed and the OLS output from the analysis described in Part V.3, and identification of the factors used in the analysis. If any factor used in analysis is an outcome of a calculation, AlliedBarton must submit the information necessary to reproduce the calculations, not just their outcomes. For instance, if time in current job site is a factor in the regression model, AlliedBarton must submit the start date of each unarmed Security Officer within their respective job sites so that OFCCP can replicate and confirm the relevant experience measure. If AlliedBarton submits any supplementary analysis, as described in Part V.3 they must identify the factors used and the reason(s) for why these factors were chosen.
 - ii. Pursuant to Part V.3, if regression analysis of pay finds statistically significant pay disparities against females or racial minority groups, AlliedBarton will submit all data used in the analysis of their requisition system. This data will include, but is not limited to, all requisitions opened during the monitoring period, the job site at which a requisition opened, the advertised pay for the job opening, records of all applicants to each requisition, including their race, gender, the name and ID of applicant job site, applicants hourly pay rate at time of application, whether applicant is a union member (or if job site is a unionized site, whichever is most relevant), the start date of each applicant at their current job site, whether applicant has transfer priority as a result of seniority (as per the collective bargaining agreement), and any and all other relevant factors utilized in the requisition analysis. Furthermore, the output of the requisition analysis, and any additional information required for OFCCP to replicate such analysis, must be submitted. If logistic regressions were utilized, then the regression output will be submitted. If Mantel-Haenszel procedure is used, its output will be conveyed in full. If the sample sizes are small, and the Multevent

procedure is be used and the Fisher Exact test calculated, these results will be communicated in full. If a different type of analysis, including analysis of specific requisitions, is conducted, those results will be transmitted in full. A detailed and technical description of AlliedBarton's analysis of requisitions will be transmitted to OFCCP regardless of the type of analysis conducted.

- iii. If race/ethnicity or gender differences that cannot be explained by legitimate factors are identified in AlliedBarton's self-analysis, including statistically significant disparities, documentation of pay adjustments or job-site placement adjustments made to eliminate the differences, including the amount of each adjustment, the date each adjustment will be/was made, and the name, race/ethnicity, and gender of each individual.

- d. **Affirmative Action Programs.** AlliedBarton will submit its current year AAP for E.O. 11246 with the first Progress Report and annually for three years.

VIII. Signatures

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

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and AlliedBarton Security Services LLC, 229 West 36th Street, New York, NY 10018.

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

Caress Kennedy
President, Northeast Region
AlliedBarton Security Services LLC

DATE: 12/6/2021

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

Diana Sen
Regional Director
Northeast Region

DATE: 12/7/2021

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

Konrad Batog

Deputy Regional Director
Northeast Region

DATE: 12/6/2021

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

Rubayyi Salaam
District Director
New York District Office

DATE: 12/6/2021

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

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

Compliance Officer
New York District Office

DATE: 12/06/2021

Attachments:

- A. List of Affected Employees
- B. Timeline
- C. Notice Documents
- D. Information Verification
- E. Release of Claims

ATTACHMENT A
LIST OF AFFECTED EMPLOYEES

No.	Employee ID	First Name	Last Name
1	(b) (6), (b) (7)(C)		
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ATTACHMENT B
TIMELINE

Activity	Deadline
AlliedBarton Mails First Notice Documents	January 6, 2022
Postmark Deadline for Affected Employees to Reply to First Notice	February 5, 2022
AlliedBarton Notifies OFCCP of Undeliverable Mailings and Affected Employees That Have Not Responded to the Notice Documents	March 7, 2022
OFCCP Provides Updated Contact Information to AlliedBarton	March 27, 2022
AlliedBarton Mails Second Notice Documents	April 16, 2022
Postmark Deadline for Affected Class Employees to Reply to Second Notice	May 16, 2022
AlliedBarton Provides OFCCP List of Its Determination of Eligible Employees and List of Rejected Eligible Employees	May 26, 2022
OFCCP Reviews and Approves Final List and Distribution Amounts	June 25, 2022
AlliedBarton Mails Back Pay Checks	July 5, 2022
AlliedBarton Notifies OFCCP of Any Checks Returned as Undeliverable	Within 15 Days of Receipt of Undeliverable Notice
OFCCP Provides Updated Addresses	Within 21 Days of AlliedBarton Notifying OFCCP of Any Checks Returned Undeliverable
AlliedBarton Mails Back Pay Checks to New Addresses	Within 21 Days of OFCCP Providing Updated Addresses
Second Distribution of Remaining Uncashed Funds to Eligible Class Members Who Cashed Their First Check	Within 20 Days of Last Check from the First Backpay Distribution Becoming Void
AlliedBarton Deposits Uncashed Funds from Second Distribution with the New York State,	Between 180 and 240 Days after the Second Distribution of Remaining Uncashed Funds

Office of State Comptroller, Office of Unclaimed Funds, or with the Equivalent State Agencies of the Last Known Addresses for the Eligible Employees	
AlliedBarton Will Provide OFCCP with Copies of Cancelled Checks or Electronic Documentation of All Payments to Eligible Employees	200 Days from Distribution of Remaining Funds

ATTACHMENT C
NOTICE TO AFFECTED CLASS

[AlliedBarton Security Services LLC Letterhead]

[Date]

[Class Member Name]

[Class Member Address]

Dear [Class Member Name]:

AlliedBarton Security Services LLC (AlliedBarton) and the Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) have entered into a Conciliation Agreement (Agreement) to remedy the violations of Executive Order 11246 (E.O. 11246) that OFCCP found during a compliance review of AlliedBarton's New York, NY facility located at 229 West 36th Street, New York, NY 10018. OFCCP's review of AlliedBarton's compensation practices from November 3, 2012 through November 3, 2014 showed that AlliedBarton paid female, Black, and American Indian unarmed Security Officers significantly less per year than male or White unarmed Security Officers at or reporting to its establishment located at 229 West 36th Street, New York, NY 10018. OFCCP found that the pay disparity was due to AlliedBarton assigning female Black, and American Indian unarmed Security Officers to lower paying jobsites as compared to male or White unarmed Security Officers. AlliedBarton has not admitted to any violation of E.O. 11246 or any other laws and there has not been any adjudicated finding that AlliedBarton violated any laws. OFCCP and AlliedBarton entered into the Agreement to resolve the matter without resorting to further legal proceedings.

You have been identified as one of the individuals who worked as an unarmed Security Officer during the relevant time period. Under the Agreement, you may be eligible to receive a payment of at least \$ [insert individual monetary award amount] (less deductions required by law). Under the terms of the Agreement, it may take up to eight months from the date of this letter before you receive your payment. In order to be eligible for a payment, you must complete, sign, and return enclosed Information Verification and Release of Claims Form. This form should be mailed as soon as possible to the address below. **In order for you to be eligible to participate in the settlement, your documents must be postmarked by [insert date by which class members must respond].**

[Name]

[AlliedBarton Position]

[AlliedBarton Address]

[This section may identify a claims administrator working on behalf of AlliedBarton]

You may use the enclosed postage-paid return envelope to return the completed and signed Information Verification Form and Release of Claims Form.

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If you have any questions you may call [name] at AlliedBarton at [phone number], or OFCCP Compliance Officer (b) (6), (b) (7)(E) at (787) (b) (6), (b) (7)(C) Your call will be returned as soon as possible.

IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENTS TO ALLIEDBARTON BY [insert date by which class members must respond], YOU WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT.

Sincerely,
[AlliedBarton Name]

Enclosures
Information Verification Form
Release of Claims Form

**ATTACHMENT D
INFORMATION VERIFICATION FORM**

You must complete this form in order to be eligible for the monetary payment under the terms of the Conciliation Agreement (Agreement) between AlliedBarton Security Services, LLC (AlliedBarton) and the Department of Labor's Office of Federal Contract Compliance Programs. Please print legibly, except for the signature.

Name: _____

Address: _____

Telephone Nos.: Home _____ Cell _____ Work _____

Email _____

Notify *AlliedBarton* at the address below if your address, email address or phone number changes within the next twelve (12) months.

[Name]

[Address]

[This section may identify a claims administrator working on behalf of AlliedBarton]

IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENTS TO THE ADDRESS BELOW BY [insert date by which class members must respond], YOU WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT.

I certify the above is true and correct.

Signature

Date

ATTACHMENT E
RELEASE OF CLAIMS UNDER EXECUTIVE ORDER 11246, AS AMENDED

PLEASE CAREFULLY READ THE ENCLOSED NOTICE BEFORE COMPLETING THIS RELEASE. YOU MUST RETURN A SIGNED RELEASE TO RECEIVE MONEY FROM THE SETTLEMENT.

This Release of Claims (Release) under Executive Order 11246, as amended, is a legal document. The document states that in return for AlliedBarton Security Services LLC (AlliedBarton) paying you money, you agree that you will not file any lawsuit against AlliedBarton for allegedly violating Executive Order 11246, as amended, on the basis of [insert, as applicable, gender or race/ethnicity] in its compensation of you as an unarmed Security Officer. It also says that AlliedBarton does not admit it violated any laws. This Release says you had sufficient time to look at the document, to talk with others about the document, including an attorney if you choose, and that no one pressured you into signing the document. Finally, it says that if you do not sign and return the document by a certain date, you will not receive any money.

In consideration of payment of at least \$ [insert individual monetary award amount] (less deductions required by law) by the AlliedBarton to me, which I agree is acceptable, I (print name) _____ agree to the following:

I.

I hereby waive, release and forever discharge AlliedBarton, its predecessors, successors, related entities, parents, subsidiaries, affiliates and organizations, and its and their shareholders, 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, which I or my representatives (heirs, executors, administrators, or assigns) have or may have which relate to my compensation as an unarmed Security Officer on the basis of my [insert, as applicable, gender or race/ethnicity] at any time prior to the date of my signature on this Release. By signing this agreement, I agree that I have been made whole for any claim that could have been brought under Executive Order 11246, as amended, relating to my compensation with AlliedBarton through the effective date of this Release.

II.

I understand that AlliedBarton denies that it treated me unlawfully or unfairly in any way and that AlliedBarton entered into a Conciliation Agreement with the U.S. Department of Labor, Office of Federal Contract Compliance Programs (OFCCP) and agreed to make the payment described above to resolve alleged disparities in compensation and to resolve the matter without further legal proceedings related to the compliance review initiated by OFCCP on October 28, 2014. I further agree that the payment of the aforesaid sum by AlliedBarton to me is not to be construed as an admission of any liability by AlliedBarton.

III.

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

IV.

I understand that if I do not sign this Release and return it to the contact listed on the enclosed Notice to Affected Class Members, by the deadline listed on the Notice, I will not be entitled to receive any payment (less deductions required by law) from AlliedBarton.

IN WITNESS WHEREOF, I have signed this document on this ____ day of _____, 20__.

Printed Name

Signature