

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
And
Security Walls, LLC

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated Security Walls, LLC (Contractor) establishment located at 130 N Martinwood Road, Knoxville, Tennessee 37923-5118, beginning on October 2, 2020. OFCCP found that Contractor failed to comply with Executive Order 11246, as amended (E.O. 11246 or the Executive Order), Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 (Section 503), and the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 (VEVRAA) and their respective implementing regulations at 41 CFR Chapter 60.

OFCCP notified Contractor of the specific violations and the corrective actions required in a Show Cause Notice (SCN) issued on 09/30/2022 and in a Notice of Violation issued on 04/14/2023.

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 Contractor 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 Contractor's fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under E.O. 11246, Section 503, and/or VEVRAA based on the violations alleged in the NOV and SCN. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Contractor 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 Contractor'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. Contractor 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 Contractor 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. Contractor and OFCCP agree that any release of claims required by this Agreement will only pertain to claims under E.O. 11246, Section 503, and/or VEVRAA.

5. Contractor 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 District Director of the Nashville District Office.
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 Contractor submits its final progress report required in Section VIII, below, unless OFCCP notifies Contractor in writing before the expiration date that Contractor 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 Contractor has met all of its obligations under the Agreement.
11. If Contractor violates this Agreement:
 - a. The procedures at 41 C.F.R. 60-1.34, 41 C.F.R. 60-300. 63 (2014) and/or 41 C.F.R. 60-741.63 will govern:
 - i. OFCCP will send Contractor a written notice stating the alleged violations and summarizing any supporting evidence.
 - ii. The Contractor 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 Contractor 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 the contractor, 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. Contractor may be subject to the sanctions set forth in Section 209 of the Executive Order, 41 C.F.R. 60-1.27, 41 C.F.R. 60-741.66 (2014), or 41 C.F.R. 60-300.66, and/or other appropriate relief for violating this Agreement.
12. Contractor neither admits nor denies any violation of the Executive Order, Section 503 or VEVRAA, nor has there been an adjudication on the merits regarding any such violation.
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 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

1. **VIOLATION:** During the period May 1, 2020, through April 30, 2021, Security Walls, LLC, failed to develop and maintain an Affirmative Action Program (AAP) relative to its obligation to fully comply with the requirements of Executive Order 11246, as amended, and its implementing regulations, as required by 41 CFR 60-1.40.

REMEDY: Security Walls, LLC will develop and implement a written AAP pursuant to Executive Order 11246, as amended. Security Walls, LLC will annually update and implement the content of its Executive Order AAP, as required by 41 CFR 60-2.1. Security Walls, LLC will receive technical assistance training by OFCCP as to the requirements of an Executive Order AAP and shall, within 60 days of the date of the agreement submit a "DRAFT" Executive Order AAP as required by 41 CFR 60-2.1 to OFCCP for review. Upon review with Security Walls, LLC and written notification by OFCCP, Security Walls, LLC will submit its final Executive Order AAP within 45 days to OFCCP.

2. **VIOLATION:** During the period May 1, 2020, through April 30, 2021, Security Walls, LLC, failed to develop and maintain an Affirmative Action Program relative to its obligation to fully comply with the requirements of Section 503 of the Rehabilitation Act of 1973, as amended, and its implementing regulations, as required by 41 CFR 60-741.40(b).

REMEDY: Security Walls, LLC will develop and implement a written AAP pursuant to Section 503 of the Rehabilitation Act of 1973, as amended. Security Walls, LLC will annually update and implement the content of its AAP, as required by 41 CFR 60-741.40-44. Security Walls, LLC will receive technical assistance training by OFCCP as to the requirements of a Section 503 AAP and shall, within 60 days of the date of the agreement submit a "DRAFT" Section 503 AAP as required by 41 CFR 60-741.40-44 to OFCCP for review. Upon review with Security Walls, LLC and written notification by OFCCP, Security Walls, LLC will submit its final Section 503 AAP within 45 days to OFCCP.

3. **VIOLATION:** During the period May 1, 2020, through April 30, 2021, Security Walls, LLC, failed to develop and maintain an Affirmative Action Program relative to its obligation to fully comply with the requirements of the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, and its implementing regulations, as required by 41 CFR 60-300.40(b).

REMEDY: Security Walls, LLC will develop and implement a written AAP pursuant to the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. 4212), as amended. Security Walls, LLC will annually update and implement the content of its VEVRAA AAP, as required by CFR 60-300.40-44. Security Walls, LLC will receive technical assistance training by OFCCP as to the requirements of a VEVRAA AAP and shall, within 60 days of the date of the agreement submit a "DRAFT" VEVRAA AAP as required by 41 CFR 60-300.40-44 to OFCCP for review. Upon review with Security Walls, LLC and written notification by OFCCP, Security Walls, LLC will submit its final VEVRAA AAP within 45 days to OFCCP.

IV. OFCCP Monitoring Period

1. **Recordkeeping.** Contractor agrees to retain all records relevant to the violations cited in Sections 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. Contractor will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.
2. **Contractor Reports.**
 - a. **Schedule and Instructions.** Contractor agrees to furnish OFCCP with the following reports during the Monitoring Period according to the following schedule:

Contractor will submit reports to Rhue Heflin Shelton, Assistant District Director, at (b) (6), (b) (7)(C) [dol.gov](mailto:rhue.shelton@dol.gov) and (b) (6), (b) (7)(C) [REDACTED] Compliance Officer at [\[REDACTED\]@dol.gov](mailto:[REDACTED]@dol.gov). Contractor 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 Contractor provides in accordance with this Agreement are trade secrets, commercial, and/or financial in nature, and customarily kept private or closely-held, and Contractor believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, Contractor will provide such reports to OFCCP marked as "Confidential". In the event of a FOIA request, OFCCP will promptly notify Contractor of the FOIA request and provide Contractor an opportunity to object to disclosure. OFCCP will withhold disclosure of such reports to the maximum extent allowable by law.

- i. The first progress report shall be due sixty (60) days from the date of this agreement, and shall cover the period of May 1, 2023, through April 30, 2024 (covering personnel activity data for the period May 1, 2022, through April 30, 2023). This report will consist of submission of the DRAFT Executive Order, Section 503, and VEVRAA AAPs.
 - ii. The second progress report shall be due forty-five (45) days after written approval by OFCCP of the draft AAPs, and shall include copies of the signed, executed Executive Order, VEVRAA, and Section 503 AAPs as detailed above.
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 Contractor's final progress report as set forth in Part II, Paragraph 10 above. If OFCCP fails to notify Contractor in writing within sixty (60) days of the date of the final progress report that Contractor 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 Contractor within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines Contractor has met all of its obligations under the Agreement.

V. SIGNATURES

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

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Security Walls, LLC, Knoxville, Tennessee 37923-5118.

DATE 4/25/2023

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

Juanita Walls
Owner
Security Walls, LLC
130 N Martinwood Road
Knoxville, Tennessee 37923-5118

DATE 4/27/2023

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

Compliance Officer—Nashville
Office of Federal Contract Compliance
Programs

DATE 4/27/2023

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

Rhue Shelton
Assistant District Director
Office of Federal Contract Compliance
Programs

DATE 05/05/2023

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

Anthony T. Fults
District Director
Office of Federal Contract Compliance
Programs