

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
And
Johnson Bros. Corporation, A Southland Company

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated the construction projects of Johnson Bros. Corporation, A Southland Company (Johnson Bros.) located in the Peoria, IL Standard Metropolitan Statistical Area (SMSA), beginning on December 7, 2022. OFCCP found that Johnson Bros. failed to comply with Executive Order 11246, as amended (E.O. 11246 or Executive Order) and its implementing regulations at Title 41 of the Code of Federal Regulations (C.F.R.) Chapter 60.

OFCCP notified Johnson Bros. of the specific violations and the corrective actions required in a Notice of Violation (NOV) issued on July 26, 2023.

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 Johnson Bros. 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 Johnson Bros.' fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under E.O. 11246, Section 503 of the Rehabilitation Act of 1973, as amended (Section 503), and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (VEVRAA), based on the violations alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Johnson Bros. 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 the compliance of Johnson Bros. with this Agreement. As part of this review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. Johnson Bros. 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 Johnson Bros. 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. Johnson Bros. 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 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 Johnson Bros. submits its final progress report required in Section IV, below, unless OFCCP notifies Johnson Bros. in writing before the expiration date that Johnson Bros. 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 Johnson Bros. has met all of its obligations under the Agreement.
10. If Johnson Bros. violates this Agreement:
 - a. The procedures at 41 C.F.R. § 60-1.34 will govern:
 - i. OFCCP will send Johnson Bros. a written notice stating the alleged violation(s) and summarizing any supporting evidence.
 - ii. The Johnson Bros. 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 Johnson Bros. 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 Johnson Bros., 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. Johnson Bros. 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.
11. Johnson Bros. 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

1. **VIOLATION:** During the period January 1, 2022, through December 31, 2022, Johnson Bros. failed to disseminate its EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting Johnson Bros. in meeting its EEO obligations, in violation of 41 C.F.R. § 60-4.3(a)7.f.

REMEDY: Johnson Bros. will disseminate its EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting Johnson Bros. in meeting its EEO obligations, as required by 41 C.F.R. § 60-4.3(a)7.f.

2. **VIOLATION:** During the period January 1, 2022, through December 31, 2022, Johnson Bros. failed to encourage current minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer and vacation employment to minority and female youth both on the site and in other areas of its workforce, as required by 41 C.F.R. § 60-4.3(a) 7.j.

REMEDY: Johnson Bros. will encourage current minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer and

vacation employment to minority and female youth both on the site and in other areas of its workforce, as required by 41 C.F.R. § 60-4.3(a) 7.j.

3. **VIOLATION:** During the period January 1, 2022, through December 31, 2022, Johnson Bros. failed to establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when Johnson Bros. or its union had employment opportunities available, and maintain a record of the organizations' responses, as required by 41 C.F.R. § 60-4.3(a)7.b.

REMEDY: Johnson Bros. will establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when Johnson Bros. or its union has employment opportunities available, and maintain a record of the organizations' responses, as required by 41 C.F.R. § 60-4.3(a)7.b.

4. **VIOLATION:** During the period January 1, 2022, through December 31, 2022, Johnson Bros. failed to keep and preserve complete and accurate personnel and employment records, in violation of 41 C.F.R. § 60-1.12(a). Specifically, Johnson Bros. failed to keep accurate hiring and termination records.

REMEDY: Johnson Bros. will keep and preserve complete and accurate personnel and employment records, in accordance with 41 C.F.R. § 60-1.12(a), and will keep and preserve those records for a period of no less than two years from the date of the making of the record or the personnel action, whichever occurs later. However, if Johnson Bros. has a total workforce of 150 or fewer employees or does not have a government contract of at least \$150,000, the minimum record retention period shall be one year from the making of the record or the personnel action, whichever occurs later, as permitted by 41 C.F.R. § 60-1.12(a).

5. **VIOLATION:** During the period January 1, 2022, through December 31, 2022, Johnson Bros. failed to provide written notice within 10 working days to OFCCP of the award of any construction subcontract in excess of \$10,000 that was made under a covered federal or federally assisted construction contract as required by 41 C.F.R. § 60-4.2(d)3.

REMEDY: Johnson Bros. will provide notice within 10 working days to OFCCP of the award of any construction subcontract in excess of \$10,000 that was made under a covered federal or federally assisted construction contract, as required by 41 C.F.R. § 60-4.2(d)3. Johnson Bros. will provide notification via the Notification of Construction Contract Award Portal (NCAP) at <https://www.dol.gov/agencies/ofccp/ncap>.

6. **VIOLATION:** During the period January 1, 2022, through December 31, 2022, Johnson Bros. failed to physically include the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" and the "Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity" containing the applicable goals for minority and female participation in its construction subcontracts in excess of \$10,000, as required by 41 C.F.R. § 60-4.3(a)(2).

REMEDY: Johnson Bros. will physically include the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" and the "Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity" containing the applicable goals for minority and female participation in its construction subcontracts in excess of \$10,000, as required by 41 C.F.R. § 60-4.3(a)(2).

IV. OFCCP Monitoring Period

1. **Recordkeeping.** Johnson Bros. 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. Johnson Bros. will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.

2. **Progress Reports.**

Johnson Bros. agrees to furnish OFCCP with the following progress report during the Monitoring Period according to the following schedule:

Progress Report will be due September 15, 2024, and cover the period from the effective date of this Agreement through September 1, 2024.

Progress Report will include the following:

Pursuant to Violation 1:

- Documentation that Johnson Bros. disseminated its EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting Johnson Bros. in meeting its EEO obligations.

Pursuant to Violation 2:

- Documentation that Johnson Bros. encouraged current minority and female employees to recruit other minority persons and women and, where reasonable, provided after school, summer and vacation employment to minority and female youth both on the site and in other areas of its workforce.

Pursuant to Violation 3:

- A list of minority and female recruitment sources used by Johnson Bros.
- Copies of all written notifications to minority and female recruitment sources and community organizations regarding all available employment opportunities. The notifications should be sent to the recruitment sources at least 10 days prior to hire date, when possible.

- Records of the responses received from the recruitment sources.

Pursuant to Violation 4:

- Documentation that Johnson Bros. maintained complete and accurate applicant/hire logs.
- Documentation (preferably in MS Excel format) must include the the following: applicant name, race, gender, application date, construction trade, job title, facility location (city/town & State), offer made, offer declined, hired, disposition (reason for the applicant not hired). The database should include all job seekers (regardless of whether they met the Internet Applicant Rule).

Pursuant to Violation 5:

- Documentation that Johnson Bros. provided written notification to OFCCP via the Notification of Construction Contract Award Portal (NCAP) within 10 working days of award of any construction subcontract in excess of \$10,000 at any tier for construction work under a federal or federally assisted construction contract resulting from this solicitation.

Pursuant to Violation 6:

- Documentation that Johnson Bros. included the Standard Federal Equal Employment Opportunity Construction Contract Specifications and the Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity containing the applicable goals for minority and female participation in its construction subcontracts in excess of \$10,000.

Johnson Bros. will submit reports to Compliance (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C)@dol.gov. Johnson Bros. 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 Johnson Bros. provides in accordance with this Agreement are trade secrets, commercial, and/or financial in nature, and customarily kept private or closely held, and Johnson Bros. believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, Johnson Bros. will provide such reports to OFCCP marked as "Confidential." In the event of a FOIA request, OFCCP will promptly notify Johnson Bros. of the FOIA request and provide Johnson Bros. 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 the final progress report as set forth in Section II, Paragraph 9 above. If OFCCP fails to notify Johnson Bros. in writing within sixty (60) days of the date of the final progress report that Johnson Bros. 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 Johnson Bros. within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines Johnson Bros. has met all of its obligations under the Agreement.

V. SIGNATURES

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

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Johnson Bros. Corporation, A Southland Company, 1100 Kubota Drive, Grapevine, Texas 76051.

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

Frank Renda
President
Johnson Bros Corporation, A Southland Company

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

/ Karen D. Wallace
District Director
OFCCP, St. Louis Area Office

DATE: 8/8/2023

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

Kendra Carmons
Assistant District Director
OFCCP, St. Louis Area Office

DATE: 8/8/2023

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

Compliance Officer
OFCCP, St. Louis Area Office

DATE: 08/07/2023