

Conciliation Agreement
Between the
U.S. Department of Labor
Office of Federal Contract Compliance Programs
and
Prairie Farms Dairy, Inc.
126 Brady Road
Battle Creek, Michigan 49037

PART I: General Provisions

1. This Agreement is between the U.S. Department of Labor, Office of Federal Contract Compliance Programs (OFCCP), and Prairie Farms Dairy, Inc. (Prairie Farms), 126 Brady Road, Battle Creek, Michigan 49037.
2. The violations identified in this Agreement were found during a compliance evaluation of Prairie Farms, which began November 19, 2018 and were specified in a Notice of Violation that was issued on February 26, 2020. OFCCP alleges that Prairie Farms has violated Executive Order 11246, as amended; Section 503 of the Rehabilitation Act of 1973, as amended; the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212); and implementing regulations at 41 CFR Chapter 60 due to the specific violations cited in Part II below.
3. This Agreement does not constitute an admission by Prairie Farms of any violation of Executive Order 11246, as amended; Section 503 of the Rehabilitation Act of 1973, as amended; the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212); and the implementing regulations.
4. The provisions of this Agreement will become part of Prairie Farms' AAP. Subject to the performance by Prairie Farms of all promises and representations contained herein and in its AAP, all named violations in regard to the compliance of Prairie Farms with all OFCCP programs will be deemed resolved. However, Prairie Farms is advised that the commitments contained in this Agreement do not preclude future determinations of noncompliance based on a finding that the commitments are not sufficient to achieve compliance.
5. Prairie Farms agrees that OFCCP may review compliance with this Agreement. As part of this review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents, as may be relevant to the matter under investigation and pertinent to Prairie Farms' compliance. Prairie Farms shall permit access to its premises during normal business hours for these purposes.
6. Nothing herein is intended to relieve Prairie Farms from the obligation to comply with the requirements of Executive Order 11246, as amended; Section 503 of the Rehabilitation Act of 1973, as amended; and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212); their implementing regulations, or any other equal employment statute or executive order or its implementing regulations.
7. Prairie Farms agrees that there will be no retaliation of any kind against any beneficiary of this Agreement or against any person who has provided information or assistance, or who

files a complaint, or who participates in any manner in any proceedings under Executive Order 11246, as amended; Section 503 of the Rehabilitation Act of 1973, as amended; and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212).

8. This Agreement becomes effective on the day it is signed by the District Director of the Midwest Region (the "Effective Date").
9. If at any time in the future, OFCCP believes that Prairie Farms has violated any portion of this Agreement during the term of this Agreement, Prairie Farms will be promptly notified of that fact in writing. This notification will include a statement of the facts and circumstances relied upon in forming that belief. In addition, the notification will provide Prairie Farms with 15 calendar days from receipt of the notification to respond in writing, except where OFCCP alleges that such a delay would result in irreparable injury.

Enforcement proceedings for violation of this Agreement may be initiated at any time after the 15-day period has elapsed or sooner, if irreparable injury is alleged, without issuing a Show Cause Notice.

Where OFCCP believes that Prairie Farms has violated this Conciliation Agreement, OFCCP may seek enforcement of this Agreement itself and shall not be required to present proof of the underlying violations resolved by this Agreement.

Liability for violation of this Agreement may subject Prairie Farms to sanctions set forth in Section 209 of the Executive Order, 41 CFR 60-300.66, 41 CFR 60-741.66 and/or other appropriate relief.

PART II: Specific Provisions

1. **VIOLATION:** During the period October 1, 2017 through September 30, 2019, Prairie Farms failed to place the equal opportunity clause in all solicitations or advertisements for employees placed by or on behalf of Prairie Farms, in violation of 41 CFR 60-1.4.

REMEDY: Prairie Farms will place the equal opportunity clause in all solicitations or advertisements for employees placed by or on behalf of Prairie Farms. Prairie Farms will state it will not discriminate against any employee or applicant because of race, color, religion, sex, sexual orientation, gender identity, or national origin. Prairie Farms will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin.

2. **VIOLATION:** During the period October 1, 2017 through September 30, 2019, Prairie Farms failed to file complete and accurate Standard Form 100 (EEO-1 Report), in violation of 41 CFR 60-1.7(a)(1). Specifically, Prairie Farms did not file the EEO-1 Report in 2017.

REMEDY: Prairie Farms will annually file, on or before September 30th, complete and accurate reports on Standard Form 100 (EEO-1) to the Joint Reporting Committee, and

maintain and make available to OFCCP these reports upon request, as required by 41 CFR 60-1.7(a)(1).

3. **VIOLATION:** During the period October 1, 2017 through September 30, 2019, Prairie Farms failed to develop and execute action-oriented programs designed to correct any problem areas identified pursuant to 41 CFR 60-2.17(b) and failed to attain established goals and objectives. Specifically, Prairie Farms failed to submit an action-oriented programs narrative designed to correct any identified problem areas and to audit their results to attain established goals and objectives, which is in violation of 41 CFR 60-2.17(c).

REMEDY: Prairie Farms will develop and execute action oriented programs designed to correct any problem areas identified pursuant to 41 CFR 60-2.17(b) and to attain established goals and objectives.

4. **VIOLATION:** During the period October 1, 2017 through September 30, 2019, Prairie Farms failed to develop and implement an auditing system that periodically measures the effectiveness of its total Affirmative Action Program, in violation of 41 CFR 60-2.17(d). Specifically, Prairie Farms did not report on the progress of the effectiveness of the internal audit and reporting system or the actions taken to resolve underutilization of females and minorities.

REMEDY: Prairie Farms will agree to develop and implement an auditing system that periodically measures the effectiveness of its total Affirmative Action Program. The actions listed below are key to a successful Affirmative Action Program:

- (1) 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;
- (2) Require internal reporting on a scheduled basis as to the degree to which equal employment opportunity and organizational objectives are attained;
- (3) Review report results with all levels of management; and
- (4) Advise top management of program effectiveness and submit recommendations to improve unsatisfactory performance.

5. **VIOLATION:** During the period October 1, 2017 through September 30, 2019, Prairie Farms failed to immediately list all employment openings with either the state workforce agency job bank or a local employment service delivery system (ESDS) serving the location where the openings occurred, in violation of 41 CFR 60-300.5(a)2-6. Specifically, Prairie Farms failed to list job vacancies with an ESDS which will allow that system to provide priority referral of veterans protected for that job vacancy.

REMEDY: Prairie Farms will list all employment openings as they occur with an appropriate ESDS, either the state workforce agency job bank or a local ESDS where the openings occur, in a manner and format that will allow the ESDS to provide priority referrals of protected veterans to Prairie Farms, as required by 41 CFR 60-300.5(a)2-6.

With its initial listing, and as subsequently needed to update the information, Prairie Farms must also advise the ESDS that it is a federal contractor that desires priority referrals of protected veterans for job openings at all locations within the state, and provide the ESDS with the name and address of each of its hiring locations within the state and the contact information for Prairie Farms' official responsible for hiring at each location, in accordance with 41 CFR 60-300.5(a)4. Should any of the information in the disclosures change since it was last reported to the ESDS, Prairie Farms will provide updated information simultaneously with its next job listing.

6. **VIOLATION:** During the period October 1, 2017 through September 30, 2019, Prairie Farms failed to undertake appropriate outreach and positive recruitment activities that are reasonably designed to effectively recruit protected veterans, document these activities, assess their effectiveness, and document its review, in violation of 41 CFR 60-300.44(f).

REMEDY: Prairie Farms will undertake appropriate outreach and positive recruitment activities that are reasonably designed to effectively recruit protected veterans, such as those described at 41 CFR 60-300.44(f)(2). Prairie Farms will annually review its outreach and recruitment activities, assess their effectiveness, and document this review, in accordance with 41 CFR 60-300.44(f)(3). Prairie Farms will document all activities it undertakes to comply with this section, in accordance with 41 CFR 60-300.44(f)(4).

7. **VIOLATION:** During the period October 1, 2017 through September 30, 2019, Prairies Farms failed to document and maintain the required data pertaining to applicants and hires, in violation of 41 CFR 60-300.44(k). Specifically, Prairie Farms failed to document computations or comparisons pertaining to protected veteran applicants and hires on an annual basis and maintain them for a period of three (3) years.

REMEDY: Prairie Farms 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 60-300.44(k). The following computations will include:

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

8. **VIOLATION:** During the period October 1, 2017 through September 30, 2019, Prairie Farms failed to 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, in violation of 41 CFR 60-741.44(f).

REMEDY: Prairie Farms will undertake appropriate outreach and positive recruitment activities that are reasonably designed to effectively recruit qualified individuals with disabilities, such as those described at 41 CFR 60-741.44(f)(2). Prairie Farms will annually review its outreach and recruitment activities, assess their effectiveness, and document this review, in accordance with 41 CFR 60-741.44(f)(3). Prairie Farms will document all activities it undertakes to comply with this section, in accordance with 41 CFR 60-741.44(f)(4).

9. **VIOLATION:** During the period October 1, 2017 through September 30, 2019, Prairie Farms failed to document and maintain the required data pertaining to applicants and hires, in violation of 41 CFR 60-741.44(k). Specifically, Prairie Farms failed to document computations or comparisons pertaining to applicants and hires of individuals with disabilities on an annual basis and maintain them for a period of three (3) years.

REMEDY: Prairie Farms 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 following computations will 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.

Part III: Reporting

1. Prairie Farms agrees to retain records pertinent to the violations cited in Part II above, and to the reports submitted in compliance with Paragraph 2, below. These records shall include data and information underlying the required reports, specifically, but not limited to all applications and personnel records. The records will be retained until the expiration of this Agreement or consistent with regulatory requirements, whichever is later.

2. Prairie Farms will furnish the OFCCP Detroit District Office, 211 West Fort Street, Suite 1320, Detroit, Michigan 48226, with a report covering the period of March 1, 2020 through February 28, 2021, and shall be due March 15, 2021. The report will contain the following:
 - a. Copies of job listings, solicitations or advertisements placed by or on behalf of Prairie Farms with the equal opportunity clause/tagline.
 - b. A copy of Prairie Farms' Standard Form 100 (EEO-1) Report filed in September 2020.
 - c. Evidence that Prairie Farms has developed and executed action oriented programs designed to correct all problem areas identified and to attain established goals and objectives.
 - d. Evidence and/or a written description of how Prairie Farms developed, conducted and executed a self-auditing system that periodically measures the effectiveness of its total affirmative action program to remove identified barriers, and expand employment opportunities to qualified women and minorities.
 - e. Documentation that Prairie Farms has undertaken appropriate external outreach and positive recruitment activities that are reasonably designed to effectively recruit qualified protected veterans, has annually reviewed its outreach and recruitment activities, assessed their effectiveness, documented this review and make available to OFCCP upon request.
 - f. Documentation that Prairie Farms has undertaken appropriate external outreach and positive recruitment activities that are reasonably designed to effectively recruit qualified individuals with disabilities, has annually reviewed its outreach and recruitment activities, assessed their effectiveness, documented this review and make available to OFCCP upon request.
 - g. A copy of the notice sent with Prairie Farms' initial listing to the appropriate ESDS that Prairie Farms is a federal contractor, that it requests priority referrals of protected veterans for job openings at all locations within the state.
 - h. Copies of all job listings with the appropriate ESDS during the reporting period.
 - i. Evidence that Prairie Farms documented and maintained the required data pertaining to all applicants and hires, in accordance with 41 CFR 60-300.44(k).
 - j. Evidence that Prairie Farms documented and maintained the required data pertaining to all applicants and hires, in accordance with 41 CFR 60-741.44(k).
3. This Conciliation Agreement shall remain in effect until the review and acceptance by OFCCP of Prairie Farms' progress report.

TERMINATION DATE: This Agreement will expire 90 days after the OFCCP receives the report required in Part III above or on the date that the District Director gives notice to Prairie Farms that Prairie Farms has satisfied its reporting requirements, whichever occurs earlier, unless the OFCCP notifies Prairie Farms in writing prior to the end of the 90-day period that Prairie Farms has not satisfied its reporting requirements pursuant to this Agreement.

INTEGRATION CLAUSE: This Agreement represents the full Agreement between Prairie Farms and the OFCCP and this Agreement supersedes any other agreements, oral or written. In signing this Agreement, neither Prairie Farms nor the OFCCP relies upon any promise, representation of fact or law, or other inducement that is not expressed in this Agreement. This Agreement may be modified only by written agreement of the Parties affected and may not be modified by any oral agreement.

PART IV: Signatures

This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Prairie Farms Dairy, Inc., 126 Brady Road Battle Creek, Michigan, 49037.

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

Ed Mullins
CEO
Prairie Farms Dairy, Inc.
Battle Creek, Michigan

DATE: March 26, 2020

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

(b) (7)(C), (b) (7)(E)
Compliance Officer
Detroit District Office
Midwest Region

DATE: 3/27/2020

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

Laila E. Turner
Assistant District Director
Detroit District Office
Midwest Region

DATE: 3/27/2020

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

Phyllis E. Lipkin
District Director
Detroit District Office
Midwest Region

DATE: 3/30/2020