

CONCILIATION AGREEMENT

Between

THE U.S. DEPARTMENT OF LABOR
OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

and

A'VIANDS, LLC
1751 WEST COUNTY ROAD B, SUITE 300
ROSEVILLE, MINNESOTA 55113

PART I. PRELIMINARY STATEMENT

The Office of Federal Contract Compliance Programs ("OFCCP") evaluated the A'viands, LLC ("A'viands") establishment located at 1751 West County Road B, Suite 300 in Roseville, Minnesota 55113, beginning on March 14, 2012. As a result of this evaluation, OFCCP finds that A'viands failed to comply with Executive Order 11246, as amended ("EO 11246"), Section 503 of the Rehabilitation Act of 1973 as amended, 29 U.S.C. § 793 ("Section 503"), the Vietnam Era Veterans' Readjustment Assistance Act of 1974 as amended, 38 U.S.C. § 4212 ("VEVRAA") and their implementing regulations at Title 41 Code of Federal Regulations ("CFR") Chapter 60.

OFCCP notified A'viands of the initial violations found and the corrective actions required in a Notice of Violation issued on August 26, 2016. In the interest of resolving the violations without engaging in further legal proceedings and in exchange for the good and valuable consideration described in this document, OFCCP and A'viands enter into this contract ("Conciliation Agreement" or "Agreement") and agree to all the terms therein.

PART II. GENERAL TERMS AND CONDITIONS

1. In exchange for A'viands' fulfillment of all obligations in Parts III and IV of the Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under EO 11246, Section 503 or VEVRAA based on the violations described in more detail in Part III below. However, OFCCP has the right to initiate legal proceedings to enforce this Agreement itself or to correct and obtain relief for the violations described in Part III if A'viands violates this Agreement. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. A'viands agrees that OFCCP may review its compliance with this Agreement. As part of such review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. A'viands will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all hard copy or electronic reports requested.

3. A'viands understands that nothing in this Agreement relieves A'viands of its obligation to fully comply with the requirements of EO 11246, Section 503, VEVRAA, their implementing regulations, and other applicable equal employment laws.
4. A'viands agrees that it will not harass, intimidate, threaten, discriminate, or otherwise 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 investigation or proceeding under EO 11246, Section 503, and/or VEVRAA, or engages in any activity listed at 41 CFR § 60-1.32(a).
5. The parties understand the terms of this Agreement and enter into it voluntarily.
6. 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 on the parties and it supersedes all prior written or oral negotiations and agreements. Any modifications or amendments to this Agreement must be agreed upon in writing and signed by all parties.
7. If one or more provisions of this Agreement are deemed unlawful or unenforceable, the remaining provisions will remain in full force and effect.
8. This Agreement becomes effective on the day it is signed by the Regional Director of the Midwest Region (the "Effective Date").
9. This Agreement will expire sixty (60) days after A'viands submits the final report required in Part IV below, unless OFCCP notifies A'viands in writing prior to the expiration date that A'viands has failed to fulfill all of its obligations under the Agreement, in which case, the Agreement is automatically extended until the date that OFCCP determines A'viands has met all of its obligations under the Agreement.
10. If A'viands violates this Agreement,
 - A. The procedures set forth at 41 CFR § 60-1.34 will govern:
 - 1) If OFCCP believes that A'viands violated any term of the Agreement while it was in effect, OFCCP will send A'viands a written notice stating the alleged violations and summarizing any supporting evidence.
 - 2) A'viands will have fifteen (15) calendar days from receipt of the notice to respond in writing, except in those cases in which such a delay would result in irreparable injury to the employment rights of affected employees or applicants.
 - 3) If A'viands 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.

- 4) OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations resolved by this Agreement.
 - B. A'viands may be subject to the sanctions set forth in Section 209 of the Executive Order 41 CFR § 60-1.27, 41 CFR § 60-300.66, 41 CFR § 60-741.66 and/or other appropriate relief for violation of this Agreement.
11. This Agreement does not constitute an admission or denial by A'viands of any violation of EO 11246, Section 503, VEVRAA, or other laws, nor has there been an adjudicated finding that A'viands violated any laws.

PART III. SPECIFIC VIOLATIONS AND REMEDIES

1. COMPENSATION DISCRIMINATION

A. Violation: As of at least December 31, 2011, OFCCP found that A'viands discriminated against female employees in the Food Service Director-Exempt position by paying them less than similarly situated males. OFCCP performed a regression analysis, based on information gathered during the compliance review, and found statistically significant pay disparities after controlling for legitimate explanatory factors. After examining personnel records, and interviewing managers, human resources personnel, employees and selecting officials, as well as considering anecdotal evidence gathered during the investigation, OFCCP determined that A'viands' practice of paying female Food Service Directors-Exempt less was based on sex and not based on legitimate explanatory factors. Accordingly, OFCCP finds that A'viands has discriminated against 98 female Food Service Directors-Exempt because of their sex, in violation 41 CFR § 60-1.4(a)(1).

B. NOTICE TO CLASS MEMBERS

1. For purposes of this Agreement only, the affected Class members ("Class Members") identified by OFCCP are 98 females in Food Service Director-Exempt. These Class Members are identified on Attachment A to this Agreement.
2. Within thirty (30) calendar days of the Effective Date of this Agreement, A'viands will notify all Class Members of the terms of the Agreement by mailing by first class certified, return-receipt requested letter and regular mail to each Class Member. The mailing must include the: Notice to Affected Class (Attachment B, "Notice"), Information Verification Form (Attachment C, "Verification Form"), a Release of Claims under Executive Order 11246, Section 503 and VEVRAA Form (Attachment D, "Release"), and a postage paid, self-addressed return envelope. Each Class Member (or his/her legal representative in the event that he/she is deceased) shall be given one hundred forty-five (145) days from the effective date of the Agreement to respond by returning the completed Verification Form and Release to A'viands. Any response postmarked by the one hundred forty-fifth (145th) day from the effective date of the Agreement shall be considered to have been submitted

within the one hundred forty-five (145) day period.

3. Within fifty (50) days of mailing the Notice, Verification Form and Release to all Class Members, A'viands shall provide OFCCP with the following:
 - a. Via overnight mail and/or email, copies of all completed Verification Forms and Releases returned to A'viands from the first mailing and the envelopes bearing a postmark date;
 - b. Via overnight mail and/or email, a list of any Class Members who did not respond at all to the Notice or whose Verification Forms and Releases were returned to A'viands as undeliverable, as well as evidence showing the documents were returned as undeliverable;
 - c. Via overnight mail and/or email, an MS Excel file containing the name, Employee ID number, social security number, last known address, last known phone number, and last known email address in separate columns for any Class Members who did not respond at all to the Notice or whose Verification Forms and Releases were returned to A'viands as undeliverable; and
 - d. Via overnight mail and/or email, documentation of A'viands' efforts with regard to the employee Class Members that did not return their Settlement Packets from the first mailing.
4. Upon receipt of the list and MS Excel file of any Class Members who did not respond at all to the Notice or whose Verification Form and Release was returned to A'viands as undeliverable, OFCCP shall attempt to verify the current addresses of the Class Members identified on the list. Within fifteen (15) days of its receipt of such list, OFCCP shall provide A'viands, via email, a list of those Class Members identified on A'viands' list for whom OFCCP was able to verify current addresses.
5. Within twenty (20) days of receiving OFCCP's list, A'viands will mail to each Class Member for whom OFCCP was able to verify a current address, copies of the Notice, Verification Form and Release, postage prepaid, address correction requested ("Second Mailing"). Each such Class Member (or his/her legal representative in the event that he/she is deceased) shall be given one hundred forty-five (145) days from the effective date of the Conciliation Agreement to respond by returning the completed Verification Form and Release to A'viands. Any response postmarked by the one hundred forty-fifth (145th) day from the effective date of the Conciliation Agreement shall be considered to have been submitted within the one hundred forty-five (145) day period.

A'viands will compile a list of all Class Members who have submitted completed Verification Forms and Releases in accordance with the instructions in the Notice

and within the one hundred forty-five (145) day period from the effective date of the Conciliation Agreement in response to either the initial mailing or the Second Mailing. Said list shall constitute the "Final List."

6. Within 160 days of the effective date of the Conciliation Agreement, A'viands shall submit to OFCCP, via overnight mail and/or email, the Final List and copies of all completed Verification Forms and Releases not previously submitted to OFCCP.
7. If OFCCP believes any Class Member should be included on the Final List but is not, it shall notify A'viands in writing, via email, and identify such Class Members within fifteen (15) days of its receipt of the Final List. In such written notification, OFCCP shall provide A'viands the reasons why it believes any Class Member should be included on the Final List. The parties will make every effort and negotiate in good faith to resolve any dispute between them about inclusion or exclusion of any Class Member on the Final List. Any Class Members whom the parties agree will be added to the Final List pursuant to this paragraph will be added no later than thirty-five (35) days after OFCCP's receipt of the Final List.
8. The individuals on the Final List, including any amendments made to the Final List pursuant to Paragraph 8 above, shall be referred to as Eligible Class Members and shall be entitled to a monetary recovery.
9. Class Members who do not respond to the Notice within the one hundred forty-five day period shall not be entitled to any relief described herein.

C. SETTLEMENT FUND

- 1) In settlement of all claims for back pay and interest to the affected class, A'viands agrees to pay to the Eligible Class Members the amount of \$399,000.00 (\$353,316.21 in back pay and \$45,683.79 in interest).
- 2) Within fifteen (15) days after the Effective Date, A'viands will deposit a total of \$399,000.00 in a separate account at a FDIC-insured banking institution. A'viands will notify OFCCP no later than ten (10) days after this action is complete and will provide appropriate documentation to OFCCP at that time, including the name and address of the FDIC-insured banking institution, the account number for the settlement fund, the date of deposit, the deposit amount, and bank records showing the deposit amount. In addition, upon written request, A'viands will provide OFCCP, within twenty (20) days of receiving such a request, with copies of bank records showing the current balance of the account, list of transactions and the amount of accrued interest on the account.
- 3) Within fifteen (15) days of OFCCP's receipt of the Final List of Eligible Class Members, OFCCP will calculate the total amount owed each Class Member to include back pay, and interest on such back pay, and send such list to A'viands. Included on this list will be each Eligible Class Member's proportionate percentage of the Settlement that the Eligible Class Member will receive pursuant to the Agreement

("Proportionate Percentage"). Within fifteen (15) days of receiving the same, A'viands will take the following actions:

- a. Pay each Eligible Class Member who is employed by A'viands at the time the amounts determined by OFCCP in the manner in which the Eligible Class Member is normally paid his/her regular salary (e.g. direct deposit, check), subject to all lawful deductions as set forth in paragraph 4 below; and
 - b. Mail a check to all other Eligible Class Members in the respective amounts subject to all lawful deductions as set forth in paragraph 4 below.
- 4) A'viands shall make all legal deductions required by law (e.g., federal, state, and/or local taxes and FICA) and shall pay to the Internal Revenue Service the employer's share of Social Security withholding attributable to the funds paid to each Eligible Class Member that is designated as back pay. At the time A'viands provides its employees with Form W-2s, A'viands shall also mail a Form W-2 to each Eligible Class Member who is not employed by A'viands. For any portion designated as interest, A'viands will not make any deductions and will issue a Form 1099 at the same time it issues the Form W-2.
- 5) Within forty-five (45) days of making the payments as set forth in paragraphs 3 and 4 above, A'viands will provide OFCCP with:
- a. Payroll stubs or the equivalent verifying that A'viands has paid Eligible Class Members who are employed by A'viands, pursuant to Part III.1.C.3.a above;
 - b. Copies of all cancelled checks from Eligible Class Members who were mailed checks pursuant to Part III.1.C.3.b. above that have been received by A'viands as of such time; and
 - c. All other cancelled checks and all checks returned as undeliverable at the end of each subsequent thirty (30) day period during which any such cancelled and/or returned checks are received, up to one hundred twenty (120) days after the date of mailing checks to Eligible Class Members as set forth in Part III.1.C.3.
- 6) OFCCP will have thirty (30) days from receipt of any checks returned as undeliverable to an Eligible Class Member to locate the specific Eligible Class Member and to inform A'viands of a corrected address so that the check may be re-mailed. A'viands will re-mail the check by certified mail within fifteen (15) days of receiving from OFCCP the corrected address.
- 7) Any check sent to an Eligible Class Member which remains uncashed one hundred twenty (120) days after either the date the check was initially mailed or the date the check was re-mailed shall be void. Further:

- a. Any amount of money remaining in the Settlement Fund due to uncashed or undeliverable checks ("Residual Amount") shall be shared among all Eligible Class Members for whom payment was deposited or who cashed checks sent to them if such payment would exceed \$20 per Class Member. Any balance remaining in the fund shall revert to A'viands and be used to provide training in equal employment opportunity to its personnel in addition to training it is obligated to provide under Executive Order 11246, Section 503, and VEVRAA;
- b. Payment of shares of any Residual Amount shall be made in the manner specified in Part III.1.C.3 and Part III.1.C.5.; and
- c. A'viands shall provide written verification of any residual amount that is in the Settlement Fund just prior to making the payments described in this paragraph, in the form of a bank statement or other similar document provided by the financial institution holding the Settlement Fund.

D. SALARY ADJUSTMENTS

- 1) Within one hundred eighty (180) days of the Effective Date, A'viands will conduct a compensation analysis for Food Service Directors-Exempt. A'viands' analysis will be conducted in accordance with generally accepted statistical standards and utilize those job-related factors that significantly correlate with pay.

A'viands will provide the compensation database used in the analysis to OFCCP. A'viands will also provide OFCCP with all pertinent information necessary for OFCCP to conduct a compensation analysis for Food Service Directors-Exempt, including, but not limited to, payroll data (in Excel format), all information relating to salary adjustments that incorporate performance reviews, and the gender of all new individuals hired in Food Service Directors-Exempt position. In addition, A'viands will provide OFCCP with enough information for the Agency to replicate the company's compensation analysis, including, but not limited to, the factors used (such as time in company and geographic region) and a narrative discussing the results.

A'viands will investigate and remedy any statistically significant compensation disparities identified by A'viands and/or OFCCP based on gender that cannot be explained by legitimate factors, through salary adjustments.

E. NON-MONETARY REMEDIES FOR AFFECTED CLASS

- 1) Equal Employment Opportunities. A'viands will ensure that all employees are afforded equal employment opportunities with respect to A'viands policies and practices that affect compensation. A'viands agrees to continue or to implement the corrective actions detailed below.

- 2) Evaluation. For Food Service Director-Exempt, A'viands will evaluate whether starting salaries, salary increases, promotion decisions, performance evaluation ratings, procedures for assigning work, the availability of training opportunities, leave policies, steering applicants into low paying jobs and / or limiting the opportunity to transfer to better jobs have a disproportionately negative effect on the compensation of females.
- 3) Revised policies and procedures. A'viands must review and, as necessary, revise its compensation practices and establish monitoring and oversight mechanisms to ensure that all aspects of its compensation system provide an equal opportunity to all of its employees, regardless of race, ethnicity, or gender, as required by 41 CFR § 60-1.4(a). All revised pay practices must ensure nondiscrimination in rate of pay and other forms of compensation.
- 4) Training. A'viands must provide training to all of its managers and supervisors who make compensation decisions, as well as to all human resources personnel. This training will include subjects of equal employment opportunity rights and responsibilities, and training on any new policies and practices in effect pursuant to Part III.1.A.
- 5) Self-Monitoring/Auditing. A'viands will monitor base salary for employees in Food Service Director-Exempt positions for any indication of statistically significant disparities based on gender, ethnicity and / or race and will investigate and remedy any such inequity that cannot be explained by legitimate factors, through salary adjustments.

A'viands expressly agrees to investigate any complaint or information it receives that may indicate compensation disparities.

- 6) Recordkeeping. Pursuant to 41 CFR § 60CFR § 60-1.12, A'viands will ensure its managers properly maintain all records on the revised policies and procedures, including any associated underlying data.

2. NOTICE TO LABOR UNIONS – EO 11246

- A. STATEMENT OF VIOLATION. During the period January 1, 2011 through December 31, 2011, A'viands did not notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, of its commitments under Section 202 of EO 11246, in violation of 41 CFR § 60-1.4(a)4.
- B. OFCCP'S SPECIFIC FINDINGS. Specifically, A'viands could not produce evidence that it notified each labor union or representative of workers with which it has a collective bargaining agreement or other contract of understanding, of its commitments under Section 202 of EO 11246.

C. REMEDY. A'viands shall notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract of understanding, of its commitments under Section 202 of EO 11246, as required by 41 CFR § 60-1.4(a)4.

3. EQUAL OPPORTUNITY CLAUSE – EO 11246

A. STATEMENT OF VIOLATION. During the period January 1, 2011 through December 31, 2011, A'viands failed to include the equal opportunity clause at 41 CFR § 60-1.4(a) in each of its nonexempt subcontracts/purchase orders, in violation of 41 CFR § 60-1.4(c).

B. OFCCP'S SPECIFIC FINDINGS. Specifically, A'viands could not produce evidence that it included, either directly or by reference, the equal opportunity clause in its subcontracts/purchase orders.

C. REMEDY. A'viands shall include, either directly or by reference, the equal opportunity clause in its subcontracts/purchase orders, as required by 41 CFR § 60-1.4(c). If A'viands incorporates the equal opportunity clause in its subcontracts/purchase orders by reference, rather than by restating the clause verbatim, it shall incorporate the clause in the manner prescribed by 41 CFR § 60-1.4(d).

4. WRITTEN AAP – EO 11246

A. STATEMENT OF VIOLATION. A'viands failed to develop and maintain a written affirmative action program ("AAP"), as set forth in Part 60-2 of 41 CFR § 60, for each of its establishments, in violation of 41 CFR § 60-2.1(b)-(e). Specifically, there were several establishments and employees who were not covered by an AAP prior to A'viands being scheduled for this compliance evaluation on March 14, 2012.

B. OFCCP'S SPECIFIC FINDINGS. Specifically, on March 20, 2012, A'viands stated that it only had AAPs pursuant to Minnesota and Wisconsin state requirements, and that it was unaware of its obligations under EO 11246. On July 11, 2012, A'viands submitted its 2011 AAP and supporting documentation pursuant to EO 11246 and its implementing regulations. The AAP was acceptable.

C. REMEDY. For the duration A'viands holds a non-exempt Government contract or subcontract as defined by 41 CFR § 60-1.3 and 41 CFR § 60-1.5, and meets the regulatory requirements to develop and maintain an EO 11246 AAP as required by 41 CFR § 60-2, A'viands shall maintain the written AAP covering each of its establishments as set forth in Part 60-2 of 41 CFR § 60. Each employee in A'viands' workforce shall be included in an AAP. Each employee shall be included in the AAP of the establishment at which he or she works, except that: (1) Employees who work at establishments other than that of the manager to whom they report, shall be included in the AAP of their manager. (2) Employees who work at an establishment where A'viands employs fewer than 50 employees, may be included under any of the following three options: In an AAP which covers just that establishment; in the AAP which covers the location of the personnel function which supports the establishment; or in the AAP which covers the location of the

official to whom they report. (3) Employees for whom selection decisions are made at a higher level establishment within the organization shall be included in the AAP of the establishment where the selection decision is made.

5. LISTING WITH STATE WORKFORCE AGENCY – VEVRAA

- A. STATEMENT OF VIOLATION. During the period January 1, 2011 through December 31, 2011, A'viands 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.
- B. OFCCP'S SPECIFIC FINDINGS. Specifically, A'viands was unable to provide evidence that it immediately listed all employment openings with either the state workforce agency job bank or a local ESDS serving the location where the openings occurred.
- C. REMEDY. A'viands shall 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 A'viands, as required by 41 CFR § 60-300.5(a)2-6 (2014). With its initial listing, and as subsequently needed to update the information, A'viands shall also advise the employment service delivery system 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 employment service delivery system with the name and address of each of its hiring locations within the state and the contact information for the contractor 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, the contractor shall provide updated information simultaneously with its next job listing.

6. NOTICE TO LABOR UNIONS – VEVRAA

- A. STATEMENT OF VIOLATION. During the period January 1, 2011 through December 31, 2011, A'viands failed to notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contracting understanding, that the contractor is bound by the terms of VEVRAA, and is committed to take affirmative action to employ and advance in employment protected veterans, in violation of 41 CFR § 60-300.5(a) 10.
- B. OFCCP'S SPECIFIC FINDINGS. Specifically, A'viands was unable to provide evidence that it notified each labor organization or representative of workers with which it has a collective bargaining agreement or other contracting understanding, that the contractor is bound by the terms of VEVRAA, and is committed to take affirmative action to employ and advance in employment protected veterans.

- C. REMEDY. A'viands shall notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the contractor is bound by the terms of VEVRAA, and is committed to take affirmative action to employ and advance in employment, and shall not discriminate against, protected veterans, in accordance with 41 CFR § 60-300.5(a) 10 (2014).

7. EQUAL OPPORTUNITY CLAUSE – VEVRAA

- A. STATEMENT OF VIOLATION. During the period January 1, 2011 through December 31, 2011, A'viands failed to include the equal opportunity clause for VEVRAA at 41 CFR § 60-300.5(a) in each of its nonexempt subcontracts/purchase orders, in violation of 41 CFR § 60-300.5(b).
- B. OFCCP'S SPECIFIC FINDINGS. Specifically, A'viands was unable to provide evidence that it included the equal opportunity clause for VEVRAA at 41 CFR § 60-300.5(a) in each of its nonexempt subcontracts/purchase orders.
- C. REMEDY. A'viands shall include, either directly or by reference, the provisions of the equal opportunity clause in its subcontracts/purchase orders, as required by 41 CFR § 60-300.5(a)-(d) (2014). If A'viands incorporates the equal opportunity clause in its subcontracts/purchase orders by reference, rather than by restating the clause verbatim, it shall incorporate the clause in the manner prescribed by 41 CFR § 60-300.5(d) (2014).

8. WRITTEN AAP – VEVRAA

- A. STATEMENT OF VIOLATION. During the period January 1, 2011 through December 31, 2011, A'viands failed to prepare and maintain an affirmative action program (AAP) for protected veterans at each establishment, in violation of 41 CFR § 60-300.40(b). Accordingly, A'viands failed to comply with any of its AAP obligations set forth in Subpart C of the regulations, 41 CFR § 60-300.40-44. Specifically, there were several establishments and employees who were not covered by an AAP prior to A'viands being scheduled for this compliance evaluation on March 14, 2012.
- B. OFCCP'S SPECIFIC FINDINGS. Specifically, on March 20, 2012, A'viands stated that it only had AAPs pursuant to Minnesota and Wisconsin state requirements, and that it was unaware of its obligations under VEVRAA. On July 11, 2012, A'viands submitted its 2011 AAP and supporting documentation pursuant to VEVRAA and its implementing regulations. The AAP was acceptable.
- C. REMEDY. On July 11, 2012, A'viands submitted its 2011 AAP for protected veterans pursuant to VEVRAA. The AAP was acceptable. For the duration A'viands holds a non-exempt Government contract or subcontract as defined by 41 CFR § 60-300.1-300.2 (2014) and 41 CFR § 60-300.4 (2014), and meets the regulatory requirements to develop and maintain a VEVRAA AAP as required by Subpart C of 41 CFR § 60-300 (2014), A'viands shall maintain the written AAP as set forth in Subpart C of 41 CFR § 60-300 (2014). This

AAP may be integrated into or kept separate from other AAPs. The AAP shall set forth A'viands policies and procedures in accordance with 41 CFR 300.40-45 (2014). A'viands shall review and update annually its AAP pursuant to 41 CFR § 60-300.40(c) and shall comply with all obligations set forth in Subpart C of the regulations, 41 CFR § 60-300.40-45 (2014).

9. NOTICE TO LABOR UNIONS – SECTION 503

- A. STATEMENT OF VIOLATION. During the period January 1, 2011 through December 31, 2011, A'viands failed to notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the contractor is bound by the terms of Section 503, and is committed to take affirmative action to employ and advance in employment individuals with physical or mental disabilities, in violation of 41 CFR § 60-741.5(a)5.
- B. OFCCP'S SPECIFIC FINDINGS. Specifically, A'viands was unable to provide evidence that it notified each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the contractor is bound by the terms of Section 503, and is committed to take affirmative action to employ and advance in employment individuals with physical or mental disabilities.
- C. REMEDY. A'viands shall notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the contractor is bound by the terms of Section 503, and is committed to take affirmative action to employ and advance in employment, and shall not discriminate against, individuals with physical or mental disabilities, in accordance with 41 CFR § 60-741.5(a) 5 (2014).

10. EQUAL OPPORTUNITY CLAUSE – SECTION 503

- A. STATEMENT OF VIOLATION. During the period January 1, 2011 through December 31, 2011, A'viands failed to include the equal opportunity clause for Section 503 at 41 CFR § 60-741.5(a) in each of its nonexempt subcontracts/purchase orders, in violation of 41 CFR § 60-741.5(b).
- B. OFCCP'S SPECIFIC FINDINGS. Specifically, A'viands was unable to provide evidence that it included the equal opportunity clause for Section 503 at 41 CFR § 60-741.5(a) in each of its nonexempt subcontracts/purchase orders.
- C. REMEDY. A'viands shall include, either directly or by reference, the provisions of the equal opportunity clause in its subcontracts/purchase orders, as required by 41 CFR § 60-741.5(a)-(d) (2014). If A'viands incorporates the equal opportunity clause in its subcontracts/purchase orders by reference, rather than by restating the clause verbatim, it shall incorporate the clause in the manner prescribed by 41 CFR § 60-741.5(d) (2014).

11. WRITTEN AAP – SECTION 503

- A. STATEMENT OF VIOLATION. During the period January 1, 2011 through December 31, 2011, A'viands failed to prepare and maintain an affirmative action program (AAP) for qualified individuals with disabilities at each establishment, in violation of 41 CFR § 60-741.40(b). Accordingly, A'viands failed to comply with any of its AAP obligations set forth in Subpart C of the regulations, 41 CFR § 60-741.40-44. Specifically, there were several establishments and employees who were not covered by an AAP prior to A'viands being scheduled for this compliance evaluation on March 14, 2012.
- B. OFCCP'S SPECIFIC FINDINGS. Specifically, on March 20, 2012, A'viands stated that it only had AAPs pursuant to Minnesota and Wisconsin state requirements, and that it was unaware of its obligations under Section 503. On July 11, 2012, A'viands submitted its 2011 AAP and supporting documentation pursuant to Section 503 and its implementing regulations. The AAP was acceptable.
- C. REMEDY. On July 11, 2012, A'viands submitted its 2011 AAP for qualified individuals with disabilities pursuant to Section 503. The AAP was acceptable. For the duration A'viands holds a non-exempt Government contract or subcontract as defined by 41 CFR § 60-741.1-741.2 (2014) and 41 CFR § 60-741.4 (2014), and meets the regulatory requirements to develop and maintain a Section 503 AAP as required by Subpart C of 41 CFR § 60-741 (2014), A'viands shall maintain the written AAP as set forth in Subpart C of 41 CFR § 60-741 (2014). This AAP may be integrated into or kept separate from other AAPs. The AAP shall set forth A'viands policies and procedures in accordance with 41 CFR 741.40-45 (2014). A'viands shall review and update annually its AAP pursuant to 41 CFR § 60-741.40 (b) (3), and shall comply with all obligations set forth in Subpart C of the regulations, 41 CFR § 60-741.40-45.

PART IV. REPORTS REQUIRED

1. A'viands must submit the documents and reports described below to: Nathaniel Jackson, Assistant District Director, U.S. DOL – OFCCP, 920 2nd Ave S, Suite 575, Minneapolis, Minnesota 55402.
- A. Within sixty (60) calendar days of the Effective Date of this Agreement, A'viands must submit a copy of the written Revised Compensation Policy described in Part III.1.E.3.
- B. Within two hundred ten (210) calendar days of the Effective Date of this Agreement, A'viands must submit documentation that all managers, supervisors, and other personnel involved in making compensation decisions for Food Service Director-Exempt positions have received training on all new and revised policies, procedures, and programs developed under Part III.1.E.3 of this Agreement. The documentation must 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. Within the prescribed timeframes, A'viands must submit all documents and information referenced in Part III.1.C.

D. A'viands must submit a progress report for Violation 1 covering each six (6) month period this Agreement is in effect. The first progress report will be due seven (7) months after the Effective Date of this Agreement and must cover the six (6) month period beginning with the Effective Date. Each subsequent report must cover the successive six (6) month period, and must be submitted within thirty (30) calendar days after the close of that six (6) month period. A'viands will submit the following in each progress report:

- 1) Documentation of monetary payments to all Eligible Class Members as specified in Part III.1.C.3. The documentation must include the names of Eligible Class Members who were paid, and, for each Eligible Class Member, the number and the amount of the check and the date the check cleared the bank. A'viands must provide OFCCP with copies of all canceled checks upon request;
- 2) Within ten (10) calendar days of completing the Statistical Analysis described in Part III.1.D.1 of the Agreement, A'viands will provide OFCCP with the information outlined in Part III.1.D.1, via email and/or overnight mail, the database, output, and statistical log from the Statistical Analysis;
- 3) A'viands must provide documentation describing all Salary Adjustments required by Part III.1.D of the Agreement. The documentation must include the amount of each adjustment, the date each adjustment will be/was made, and the gender of each individual receiving an adjustment;

E. A'viands must submit a progress report for Violations 2-11 and will be due thirteen (13) months after the Effective Date of this Agreement and must cover the twelve (12) month period beginning with the Effective Date. This report will contain the following:

- 1) Copies of the written notifications provided to each labor union or representative of workers with which A'viands has a collective bargaining agreement or other contract of understanding, of A'viands' commitments under EO 11246, VEVRAA, and Section 503;
- 2) Copies of two (2) recent subcontracts, and/or two (2) recent purchase orders;
- 3) The current year's AAP for EO 11246;
- 4) The current year's AAP for Section 503;
- 5) The current year's AAP for VEVRAA; and
- 6) Documentation that demonstrates: 1) that all employment openings, i.e., a list of all of its job openings, that occurred were listed with the appropriate employment service delivery system (ESDS) (either the state workforce agency job bank or a local ESDS) where the openings occurred, in a manner and format that allows the ESDS to provide priority referrals of protected veterans to A'viands; (2) that, with its initial listing, A'viands advised the appropriate ESDS that it is a federal contractor that desires priority referrals of protected veterans for job openings at all locations within the

state; and, 3) that, with its initial listing, A'viands provided the ESDS with the name and address of each of its hiring locations within the state, and the contact information for the A'viands official responsible for hiring at each location. Should any of the information in the disclosures change since it was last reported to the ESDS, A'viands shall provide updated information simultaneously with its next job listing.

2. A'viands will retain all records and data pertinent to the violations resolved by this Agreement and/or used to prepare required reports until this Agreement expires or as long as required by OFCCP's regulations, whichever date occurs later.

PART V. SIGNATURES

The person signing the Conciliation Agreement on behalf of A'viands, LLC personally warrants he or she is fully authorized to do so, that A'viands, LLC has entered into this Conciliation Agreement voluntarily and with full knowledge of the effect thereof, and that execution of this Agreement is fully binding on A'viands, LLC. This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and A'viands, LLC.

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

Steve West
Managing Director
A'viands, LLC

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

Compliance Officer – Minneapolis
OFCCP

Asst District Director

DATE: 10/9/18

DATE: 10/10/2018

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

Nathaniel Jackson
Assistant District Director – Minneapolis
OFCCP

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

Henrietta Brinson
District Director – Minneapolis
OFCCP

DATE: 10/10/2018

DATE: 10/17/2018

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

Carmen Navarro
Acting Regional Director – Midwest
OFCCP

DATE: October 17, 2018

ATTACHMENT A

Employee ID	A'viands Effective Date	Location	Name	Hire Date	Last Known Address
(b) (6), (b) (7)(C)					

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

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

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

CLASS MEMBER DISTRIBUTION LIST

A-2

Last Name	First Name	Back Pay	Interest	Total
(b) (6), (b) (7)(C)				

A-5

