CONCILIATION AGREEMENT

Between

THE U. S. DEPARTMENT OF LABOR

OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

and

CAPCO, LLC

PART I. PRELIMINARY STATEMENT

The Office of Federal Contract Compliance Programs ("OFCCP") evaluated Capco Inc., facility located at 1328 Winters Ave., Grand Junction, Colorado, and found that Capco Inc. was not in compliance with the Executive Order 11246, as amended ("E.O. 11246"), Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 ("Section 503"), and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 ("VEVRAA"), and their implementing regulations at 41 C.F.R. Section(s) 60-1, 60-2, 60-3, 60-4, 60-250, 60-300, and/or 60-741. OFCCP notified Capco Inc. of the specific violations found and the corrective actions required in a Notice of Violations issued on May 6, 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 Capco, LLC ("Capco") as successor in interest to Capco, Inc., enter this agreement ("Conciliation Agreement" or "Agreement") and agree to all the terms stated below.

PART II. GENERAL TERMS AND CONDITIONS

- 1. In exchange for Capco's fulfillment of all obligations in Parts III and IV of the Agreement, OFCCP agrees not to institute administrative or judicial enforcement proceedings under E.O. 11246, Section 503, and/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 the Agreement itself or to correct and obtain relief for the violations described in Part III if Capco violates this Agreement. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
- Capco 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, Capco will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all the reports and documents requested.

- Capco understands that nothing in this Agreement relieves Capco of its obligation to fully comply with the requirements of E.O. 11246, Section 503, VEVRAA, their implementing regulations, and other applicable equal employment laws.
- 4. Capco promises not to harass, intimidate, threaten, discriminate, or otherwise retaliate against any individual because the individual: benefits from this Agreement, files a complaint or participates in any investigation or proceeding under E.O. 11246, Section 503, and/or VEVRAA, or engages in any activity listed at 41 C.F.R. § 60-1.32(a).
- 5. The parties understand the terms of this Agreement and enter into it voluntarily.
- 6. This document and its attachments contain the complete and final understanding of the parties with respect to the matters referenced herein. This Agreement contains all terms by which the parties are bound and it supersedes all prior written or oral negotiations and agreements. There will be no modifications or amendments to this Agreement unless they are in writing, signed by all parties.
- If one or more provisions of this Agreement are rendered unlawful or unenforceable, the remaining provisions will remain in full force and effect.
- 8. This Agreement becomes effective forty-five (45) days after the date it is signed by the Regional Director of the Southwest and Rocky Mountain Region (the "Effective Date") unless the Director of OFCCP indicates otherwise within 45 calendar days of the date the Regional Director signs the Agreement.
- 9. This Agreement will expire sixty (60) days after Capco submits the final progress report required in Part IV (D), below, unless OFCCP notifies Capco in writing prior to the expiration date that Capco has not fulfilled all of its obligations under the Agreement, in which case the Agreement is automatically extended until the date that OFCCP determines Capco has met all of its obligations under the Agreement.
- 10. If Capco violates this Conciliation Agreement,
 - A. The procedures set forth at 41 C.F.R. § 60-1.34 will govern:
 - If OFCCP believes that Capco violated any term of the Agreement while it was in effect, OFCCP will send Capco a written notice stating the alleged violations and summarizing any supporting evidence within 15 days of OFCCP's identifying an alleged violation.
 - 2) Capco will have 15 days from receipt of such notice to demonstrate in writing that it has not violated the Conciliation Agreement, unless such a delay would result in irreparable injury to the employment rights of affected employees or applicants.

- 3) If Capco 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. Capco may be subject to the sanctions set forth in Section 209 of the Executive Order, 41 CFR 60-741.66, or 41 CFR 60-300.66 for violation of this Agreement.
- 11. This Agreement does not constitute an admission by Capco of any violation of E.O. 11246, Section 503, VEVRAA, or other laws, nor has there been an adjudicated finding that Capco violated any laws.

PART III. SPECIFIC VIOLATIONS AND REMEDIES

1. VIOLATION: OFCCP found that Capco was not in compliance with 41 CFR 60-1.4(a)(1). OFCCP's analysis of Capco's placement of new hires into CNC Operator and Machine Operator positions as compared to the placement of new hires into Production Tech and Production Worker positions during the period of February 19, 2011 through at least October 31, 2013, showed female hires were disproportionately placed into lower paying Production Tech and Production Worker positions, as compared to similarily-situated males, who, when hired, were more likely to be placed into higher-paying CNC Operator and Machine Operator positions.

officered in a disparity in hiring that was statistically significant at disparity in hiring that was statistically significant at disparity in hiring that was statistically significant at deviations yielding a shortfall of 34 female hires. OFCCP found that these placements resulted in a pay difference disfavoring female hires. OFCCP found the difference in pay between the two position ranges between \$ 100.000 (once permanent).

Accordingly, OFCCP determined that Capco engaged in a pattern or practice of discrimination in the placement of female hires into Production Tech and Production Worker positions during the review period.

Finally, OFCCP found that as a consequence of being steered into Production Tech and Production Worker positions, female hires were not provided with the same opportunity as male hires to be promoted into higher paying positions, as required by 41 CFR 60-20.2(a), 41 CFR 60-20.5(b) and 41 CFR 60-1.4(a)(1). OFCCP's analysis of Capco's

promotion data during the review period showed that promotional opportunities for Production positions are significantly limited as compared to the promotional opportunities for CNC Operator and Machine Operator positions.

<u>REMEDY:</u> Capco agrees to immediately cease using the practices and/or policies negatively affecting female hires and will take the following corrective action:

- (a) Revision of the Hiring Process, Implementation and Training: Within 30 calendar days of the effective date of this Agreement (the effective date is the date of the signature of the Regional Director), Capco will revise, in writing, the practices, policies and procedures it uses to recruit, track and hire applicants for CNC Operator, Machine Operator, Production Tech and Production Worker positions (hereinafter the "Revised Hiring Process"). The Revised Hiring Process will contain the following:
 - Procedures to recruit applicants for CNC Operator, Machine Operator, Production Tech and Production Worker positions, including mandatory posting, outreach efforts, and the use of the Internet as a recruitment procedure, if Capco currently uses or prospectively intends to use the Internet to recruit CNC Operator, Machine Operator, Production Tech and Production Worker applicants.
 - The qualifications and criteria to be used to place applicants into the CNC Operator, Machine Operator, Production Tech and Production Worker applicant pool.
 - The qualifications and criteria to be used to eliminate and/or select applicants at each step of the hiring process, including the qualifications and criteria to be used in any application screen, interview, test, post-hiring screen or other selection procedure.
 - Procedures to ensure that applicants are tracked and decisions are documented at each step in the hiring process.
 - Procedures to ensure that documents are retained in accordance with 41 CFR 60-1.12(a) and Part 60-3.

Thereafter, within 90 calendar days of the effective date of this Agreement, Capco will fully implement the Revised Hiring Process and will train all individuals involved in any way in recruiting, selecting or tracking applicants for CNC Operator, Machine Operator, Production Tech and Production Worker positions on the Revised Hiring Process. The training will include instruction in the proper implementation of the recruitment, tracking and selection procedures, the neutral application of the specified qualifications and criteria that will be used at each step in the hiring process, the procedures to be used to document the decisions made at each step in the hiring process, and the procedures to be used to ensure

that documents are retained in accordance with 41 CFR 60-1.12(a) and Part 60-3.

(b) Notification: Within 15 calendar days of the effective date of this Agreement, Capco shall notify the female hires shown on Attachment 1 ("Placement Class Members") by certified mail of the requested terms of this Agreement by mailing to each Placement Class Member the Notice to Class Members (Attachment 2, "Notice"), the Information Verification & Employment Interest Form (Attachment 3, "Interest Form"), the Release of Claims Under Executive Order 11246 (Attachment 4, "Release"), and a postage paid return envelope. Capco will notify OFCCP weekly of all letters returned as undeliverable. In addition, within 45 calendar days of the effective date, Capco will provide a list to OFCCP of those Placement Class Members who have not yet responded to the Notice and/or have not returned a fully executed Interest Form and Release. OFCCP will then initiate efforts to locate those Placement Class Members and provide the updated contact information to Capco.

Capco agrees to mail by certified mail a second Notice, Interest Form, Release and postage paid return envelope to the updated contact addresses provided by OFCCP or the addresses verified by OFCCP, to Placement Class Members OFCCP locates within 10 calendar days of Capco's receipt of the updated contact information from OFCCP.

All Placement Class Members who sign and return the Release and Interest Form to either Capco or OFCCP within 90 calendar days of the effective date of this Agreement ("Eligible Placement Class Members") will equally share the monetary settlement and, if indicating an interest in promotion/transfer, will be eligible to be considered for a job pursuant to this Agreement. If a Placement Class Member has not returned the Release and Interest Form to Capco or OFCCP within 90 calendar days of the effective date of this Agreement, the Placement Class Member will no longer be entitled to any relief pursuant to this Agreement.

Within 95 calendar days of the effective date of this Agreement, Capco will provide OFCCP with a list of all Placement Class Members who returned the executed Interest Form and Release within 90 calendar days of the effective date, along with a copy of each executed Release and Interest Form it received. OFCCP will provide Capco with all original executed Release and Interest Forms it receives. Within 100 calendar days from the effective date of the Agreement, OFCCP will review and approve the final list of Eligible Placement Class Members or discuss with Capco any issues necessary to finalize the list, such as the inclusion or exclusion of certain Placement Class Members. The monetary payment discussed in paragraph (d) below will be divided equally among all Eligible Placement Class Members on the final approved list. All Eligible Placement Class Members are entitled to their share of the monetary settlement regardless of whether they are interested in promotion/transfer with Capco.

(c) Employment: As positions become available, Capco will consider for

promotion/transfer qualified Eligible Placement Class Members who were employed by Capco in a Production Tech or Production Worker job and who express an interest in a promotion/transfer with Capco, until 34 Eligible Placement Class Members (Capco has already fulfilled this obligation towards the shortfall with respect to 5 Eligible Class Members) have successfully completed the selection process and are promoted/transferred into CNC Operator or Machine Operator positions, or until the list of such Eligible Placement Class Members expressing an interest in promotion/transfer is exhausted, whichever occurs first. Eligible Placement Class Members shall be considered as openings for the positions occur in the order that Capco had received their Interest Forms expressing an interest in promotion/transfer. Capco shall initate its promotion/transfer of Eligible Placement Class Members within 15 days of the effective date of this Agreement and must complete its hiring obligations under this section within 12 months of the effective date of this Agreement.

Eligible Placement Class Members will be allowed two weeks to train or report for work in the position as a CNC Operator or Machine Operator after receiving a written job offer from Capco or as otherwise consistent with the contract requirements pursuant to which the Placement Class Members are hired. The Eligible Placement Class Members promoted/transferred into CNC Operator or Machine Operator positions pursuant to this Agreement shall be paid the prevailing or current wage rate for the CNC Operator or Machine Operator position, whichever is higher, and shall be provided with the same benefits, opportunity to earn overtime and shift differentials as other CNC Operator and Machine Operator employees. In addition, all Eligible Placement Class Members promoted/hired shall receive retroactive seniority to the date of their original application for all purposes, including job retention, job bidding and benefits.

Monetary Settlement: Within ten (10) calendar days of the effective date of this (d) Agreement, Capco shall deposit \$55,000 (back pay of \$49,500 and interest of \$5,500) into an interest-bearing checking account, at the prevailing interest rate, for the Eligible Placement Class Members. Capco will notify OFCCP within five calendar days of the inception of the account that this action has been taken and will identify to OFCCP a person who can be contacted who will be able to provide the current balance of the account and the amount of accrued interest. The monetary settlement is a negotiated amount that represents estimated back pay and takes into account tenure and interim earnings. The back pay and interest amount (plus additional interest that accrues on the interest-bearing account, if any), less legal deductions required by law on the portion representing back pay only (such as federal, state and/or local taxes, legally required garnishments and FICA), will be equally distributed among the Eligible Placement Class Members. Capco will pay to the Internal Revenue Service ("IRS") the employer's share of social security withholdings, and shall mail to each Eligible Placement Class Member an IRS W-2 Form representing 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 mailed to the Eligible Placement Class Members either with the settlement checks or at the end of the year. No disbursements of the monetary settlement

covered by this Agreement are to be made prior to 45 calendar days following the effective date of this Agreement. Capco will disburse the monetary settlement within 120 calendar days of the effective date of this Agreement.

Within five days of Capco's receipt of a check to an Eligible Placement Class Member returned as undeliverable. Capco shall notify OFCCP of this fact via email sent to (b) (7)(C), (b) (7)(E) at (b) (7)(E), (b) (7)(E) (dol.gov.) OFCCP will attempt to locate the Eligible Placement Class Member and if OFCCP obtains an alternate address, Capco will remail the check within 10 calendar days of Capco's receipt of the alternate address.

Any check that remains uncashed within 120 days after the initial date the check was mailed to the Eligible Placement Class Member shall be void. With respect to any uncashed funds, Capco shall make a second distribution to all Eligible Placement Class Members who cashed their first check if the amount of the uncashed funds would result in a payment of \$20.00 or more to each of the located Eligible Placement Class Members. If the total amount of uncashed funds would result in a payment of less than \$20.00 to each located Eligible Placement Class Member, Capco shall use those uncashed funds to provide training in equal employment opportunity to its personnel in addition to training it is obligated to provide in the Revised Hiring Process described in paragraph (a) above.

Documentation: Within 30 days of making the payments set forth in Paragraph (d) above. Capco shall provide OFCCP, via email sent to additional (b) (7)(C), (b) (7)(E) @dol.gov, with bank verification of payments made to Eligible Placement Class Members.

2. <u>VIOLATION:</u> OFCCP found that Capco was not in compliance with 41 CFR 60-1.4(a)(1). OFCCP's analysis of Capco's hiring process and selection procedures revealed that Capco discriminated against male applicants for Craft, Operative and Laborer positions during the period of February 19, 2011 through at least October 31, 2013 (hereinafter "review period"). OFCCP found that male applicants were less likely to be hired than similarly-situated female applicants.

OFCCP's analysis of the refined hiring data showed a statistically significant disparity that negatively affected males. OFCCP found that of male applicants, were hired, whereas of female applicants, or were hired. This resulted in a disparity in hiring that was statistically significant at standard deviations yielding a shortfall of 16.

Accordingly, OFCCP determined that Capco engaged in a pattern or practice of discrimination against 772 male applicants who applied for Craft, Operator and Laborer positions during the review period.

<u>REMEDY:</u> Capco agrees to immediately cease using the practices and/or policies negatively affecting male applicants in the hiring process and will take the following

corrective action:

(a) Revision of the Hiring Process, Implementation and Training: Within 30 calendar days of the effective date of this Agreement (the effective date is the date of the signature of the Regional Director), Capco will revise, in writing, the practices, policies and procedures it uses to recruit, track and hire applicants for Craft, Operator and Laborer positions (hereinafter the "Revised Hiring Process") to include all requirements as found in Remedy 1(a).

Thereafter, within 90 calendar days of the effective date of this Agreement, Capco will fully implement the Revised Hiring Process and will train all individuals involved in any way in recruiting, selecting or tracking applicants for Craft Worker, Operative and Laborer positions on the Revised Hiring Process. The training will include instruction in the proper implementation of the recruitment, tracking and selection procedures, the neutral application of the specified qualifications and criteria that will be used at each step in the hiring process, the procedures to be used to document the decisions made at each step in the hiring process, and the procedures to be used to ensure that documents are retained in accordance with 41 CFR 60-1.12(a) and Part 60-3.

(b) Notification: Within 45 calendar days of the effective date of this Agreement, Capco shall notify the male applicants shown on Attachment 5 ("Hiring Class Members") of the terms of this Agreement by mailing by certified mail, to each Hiring Class Member the Notice to Class Members (Attachment 6, "Notice"), the Information Verification & Employment Interest Form (Attachment 7, "Interest Form"), the Release of Claims Under Executive Order 11246 (Attachment 8, "Release"), and a postage paid return envelope. Capco will notify OFCCP weekly of all letters returned as undeliverable. Within 75 calendar days of the effective date of the Agreement, Capco will provide a list to OFCCP of those Hiring Class Members who have not yet responded to the Notice and/or have not returned a fully executed Interest Form and Release. OFCCP will then initiate efforts to locate those Hiring Class Members and provide updated contact information to Capco within 15 calendar days of OFCCP's receipt from Capco of the list of non-responsive Class Members.

Capco agrees to mail by certified mail, to the updated contact addresses provided by OFCCP a second Notice, Interest Form, Release, and postage paid return envelope to Hiring Class Members OFCCP locates or verifies the addresses within 10 calendar days of receipt of the updated contact information from OFCCP.

All Hiring Class Members who sign and return the Release and Interest Form to either Capco or OFCCP within 120 calendar days of the effective date of this Agreement ("Eligible Hiring Class Members") will equally share the monetary settlement and, if indicating an interest in employment, will be eligible to be considered for a job pursuant to this Agreement. If a Hiring Class Member has

not returned the Release and Interest Form to Capco or OFCCP within 120 calendar days of the effective date of this Agreement, the Hiring Class Member will no longer be entitled to any relief pursuant to this Agreement.

Within 125 calendar days of the effective date of this Agreement, Capco will provide OFCCP with a list of all Hiring Class Members who returned the Interest Form and Release within 120 calendar days of the effective date, along with a copy of each executed Release and Interest Form it received. OFCCP will provide Capco with all original executed Release and Interest Forms it receives. Within 145 calendar days from the effective date, OFCCP will review and approve the final list of Eligible Hiring Class Members or discuss with Capco any issues necessary to finalize the list, such as the inclusion or exclusion of certain Hiring Class Members. The monetary payment discussed in paragraph (d) below will be divided equally among all Eligible Hiring Class Members on the final approved list. All Eligible Hiring Class Members are entitled to their share of the monetary settlement regardless of whether they are interested in employment with Capco.

Employment: As positions become available, Capco will consider for (c) employment qualified Eligible Hiring Class Members not currently employed by Capco who express an interest in employment with Capco, until 16 Eligible Hiring Class Members have successfully completed the selection process and are hired into Craft Worker, Operative and Laborer positions, or until the list of such Eligible Hiring Class Members expressing an interest in employment is exhausted, whichever occurs first. Eligible Hiring Class Members shall be considered in the order that Capco receives their Interest Forms expressing an interest in employment. Capco shall initate its hiring of Eligible Hiring Class Members after 45 days of the effective date of this Agreement and must complete its hiring obligations under this section within 12 months of the effective date of this Agreement. Capco must complete the offer of transfer of the Placement Class Members in Remedy 1 to CNC Operator and Machine Operator positions first before any Hiring Class Members listed on Attachment 5 are offered CNC Operator and Machine Operator positions.

Eligible Hiring Class Members will be allowed at least two weeks to report for work after receiving a written job offer from Capco or as otherwise consistent with the contract for the project for which the employees were hired. The Eligible Hiring Class Members hired into Craft Worker, Operative and Laborer positions pursuant to this Agreement shall be paid the prevailing or the current wage rate for the Craft Worker, Operative and Laborer positions, whichever is higher, and shall be provided with the same benefits, opportunity to earn overtime and shift differentials as other Craft Worker, Operative and Laborer employees. In addition, all Eligible Hiring Class Members hired shall receive retroactive seniority to the date of their original application for all purposes, including job retention, job bidding and benefits.

(d) Monetary Settlement: Within ten (10) calendar days of the effective date of this

Agreement, Capco shall deposit \$120,000.00 (back pay of \$108,000 and interest of \$12,000) into an interest-bearing checking account, at the prevailing interest rate for the Eligible Hiring Class Members. Capco will notify OFCCP within five calendar days of the inception of the account that this action has been taken and will identify to OFCCP a person who can be contacted who will be able to provide the current balance of the account and the amount of accrued interest, if any. The monetary settlement is a negotiated amount that represents estimated back pay and takes into account tenure and interim earnings. The back pay and interest amount (plus additional interest that accrues on the interest-bearing account, if any), less legal deductions required by law on the portion representing back pay only (such as federal, state and/or local taxes, legally required garnishments, and FICA), will be equally distributed among the Eligible Hiring Class Members. Capco will pay to the Internal Revenue Service ("IRS") the employer's share of social security withholdings, and shall mail to each Eligible Hiring Class Member an IRS W-2 Form representing 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 mailed to the Eligible Hiring Class Members either with the settlement checks or at the end of the year. No disbursements of the monetary settlement covered by this Agreement are to be made prior to 45 calendar days following the effective date of this Agreement. Capco will disburse the monetary settlement within 170 calendar days of the effective date of this Agreement.

Documentation: Within 30 days of making the payments set forth in Paragraph (d) above, Capco shall provide OFCCP, via email sent to (b) (7)(C), (b) (7)(C), (b) (7)(C), (c) (7)(C), (d) (7)(C), (d) (7)(C), (e) (7

Within five days of Capco's receipt of a check to an Eligible Hiring Class Member returned as undeliverable, Capco shall notify OFCCP of this fact via email to (b) (7)(C), (b) (7)(E) at (b) (7)(C), (b) (7)(E) @dol.gov. OFCCP will attempt to locate the Eligible Hiring Class Member and if OFCCP obtains an alternate address, Capco will remail the check within 10 days of its receipt of the notice of the check's return as undeliverable. Any check that remains uncashed within 120 days after the initial date the check was mailed to the Eligible Hiring Class Member shall be void. With respect to the uncashed funds, Capco shall make a second distribution to all Eligible Hiring Class Members who cashed their first check if the amount of the uncashed funds would result in a payment of \$20.00 or more to each of the located Eligible Hiring Class Members. If the total amount of uncashed funds would result in a payment of less than \$20.00 to each located Eligible Hiring Class Member, Capco shall use those uncashed funds to provide training in equal employment opportunity to its personnel in addition to training it is obligated to provide in the Revised Hiring Process described in paragraph (a) above.

 VIOLATION: Capco failed to maintain and have available for inspection personnel and employment records in accordance with the requirements of 41 CFR 60-1.12(a) and Part 60-3. Specifically, during the review period, Capco failed to maintain complete and accurate employment records, including documentation of all applicants who expressed an interest in working for the company, applications, resumes, interview notes, offers made during the review period and the results of pre-employment tests or screening for hires.

<u>REMEDY</u>: Capco will ensure that its records are collected and maintained in accordance with the requirements of 41 CFR 60-1.12(a) and Part 60-3.

 VIOLATION: Capco failed to collect or identify, where possible, the gender, race and ethnicity of each applicant in accordance with the requirements of 41 CFR 60-1.12, 41 CFR 60-3.4, and 41 CFR 60-3.15.

<u>REMEDY</u>: Capco will ensure that it adequately implements an applicant tracking system to collect and identify, where possible, the gender, race and ethnicity of each applicant with the requirements of 41 CFR 60-1.12, 41 CFR 60-3.4, and 41 CFR 60-3.15.

5. VIOLATION: Capco failed to conduct adverse impact analyses of the selection processes for hiring, promotions and terminations in accordance with the requirements of 41 CFR 60-3.15A and 60-3.4. Capco also failed to identify problem areas in its employment process found to create impediments to equal employment opportunity in accordance with the requirements at 41 CFR 60-2.17(b) or to establish action-oriented programs designed to correct identified problem areas as required by 41 CFR 60-2.17(c).

REMEDY: Capco will conduct adverse impact analyses on at least an annual basis for purposes of determining whether adverse impact exists against applicants based on race, sex or ethnic group in hiring, promotion, termination, and other personnel activities. These analyses will be done by job for each group constituting more than 2% of the labor force in the relevant labor area or 2% of the applicable workforce. If adverse impact is identified in the total selection process, Capco will evaluate each individual component of the selection process for adverse impact. If adverse impact is found to exist in any of the individual components of the selection process, Capco will validate each such component in accordance with the Uniform Guidelines on Employee Selection Procedures or utilize selection procedures which do not result in adverse impact. Capco must also perform in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exist, including correctly identifying problem areas in its AAP. Finally, Capco must develop and execute action-oriented programs designed to correct any problem areas identified and to attain established goals and objectives.

VIOLATION: Capco failed to maintain and have available for inspection records that
would disclose the impact its tests and other selection procedures have upon employment
opportunities as required by 41 CFR 60-3.4A and 41 CFR 60-3.15A.

<u>REMEDY</u>: Capco will ensure that, if it chooses to administer a pre-employment test to any applicant at the facility, it maintains and has available for inspection records or other

information that will disclose the impact the test has upon employment opportunities as required by 41 CFR 60-3.4A and CFR 60-3.15A.

 VIOLATION: Capco failed to submit an acceptable job group analysis as required by 41 CFR 60-2.12 by not properly combining job titles with similar content, wage rates and opportunities to form job groups.

<u>REMEDY</u>: Capco will ensure that it correctly formulates its job groups in its job group analysis by combining job titles with similar content, wage rates and opportunities. Capco will also ensure that it accurately reports its employment data in its annual EEO-1 report.

 VIOLATION: Capco did not conduct an acceptable availability analysis as required by 41 CFR 60-2.14. Additionally, Capco did not properly compare its incumbency to availability as required by 41 CFR 60-2.15 and its subsequent placement goals required by 41 CFR 60-2.16.

<u>REMEDY</u>: Capco will ensure that its availability analysis meets the requirements of the federal regulations at 41 CFR Sec. 60-2.14, 60-2.15, and 60-2.16.

VIOLATION: Capco did not post in a conspicuous place available to applicants its "EEO is the Law" poster as required by 41 CFR 60-1.42.

<u>REMEDY</u>: Capco will ensure that it posts its "EEO is the Law" poster in a conspicuous place available to applicants and employees.

 VIOLATION: Capco did not post the location and hours during which its full AAP for covered veterans is available for inspection upon request to any employee or applicant for employment, as required by 41 CFR 60-300.41.

<u>REMEDY</u>: Capco will ensure that it posts the location and hours during which its AAP for covered veterans is available for inspection upon request to any employee or applicant for employment.

 VIOLATION: Capco did not post the location and hours during which its full AAP for individuals with disabilities is available for inspection upon request to any employee or applicant for employment, as required by 41 CFR 60-741.41.

<u>REMEDY</u>: Capco will ensure that it posts the location and hours during which its AAP for individual with disabilities is available for inspection upon request to any employee or applicant for employment.

Part IV. REPORTS REQUIRED

Capco will submit various reports to OFCCP, and shall send each report described below to:

Denver District Director
U.S. Department of Labor/OFCCP

Cesar E. Chavez Memorial Building 1244 Speer Blvd., Suite 540 Denver, CO 80204

- Pursuant to paragraph (a) of Remedy 1 and 2, within 60 calendar days of the effective date of this Agreement Capco will submit to OFCCP a copy of the written Revised Hiring Process.
- Pursuant to paragraph (a) of Remedy 1, with the first progress report below, which is approximately seven months of the effective date of this Agreement, Capco will provide OFCCP with documentation that all managers, supervisors and other personnel involved in the Revised Hiring Process for CNC Operator, Machine Operator, Production Tech and Production Worker positions have been trained in the recruitment and selection procedures to be used in the Revised Hiring Process. The documentation shall include the dates of the training, the names and job titles of all attendees, and the name and job title of each person who conducted the training.

Pursuant to paragraph (a) of Remedy 2, with the first progress report below, which is approximately seven months of the effective date of this Agreement, Capco will provide OFCCP with documentation that all managers, supervisors and other personnel involved in the Revised Hiring Process for Craft Worker, Operative and Laborer positions have been trained in the recruitment and selection procedures to be used in the Revised Hiring Process. The documentation shall include the dates of the training, the names and job titles of all attendees, and the name and job title of each person who conducted the training.

 Capco will also provide OFCCP with all documents and information referenced in paragraphs (b) and (d) of Remedy 1 and 2 within the prescribed timeframes. See the attached Timeline.

In addition to the above reports, Capco will submit two semi-annual progress reports. The first semi-annual progress report shall be due seven months from the effective date of this Agreement and shall cover the six-month period beginning with the effective date. Each subsequent report shall cover the successive six-month period, and shall be submitted 30 calendar days after the close of that six-month period. Additional reporting may be required by OFCCP if all terms of the CA have not been fulfilled in these two semi-annual progress reports.

Pursuant to Violation 1, Capco will submit the following information in each progress report as provided in the Remedy section for Violation 1:

 Documentation of monetary payments to all Eligible Placement Class Members as specified in paragraphs (b) and (d) of the Remedy for Violation 1. The documentation shall include the names of Eligible Placement Class Members who were paid, and for each Eligible Placement Class Member, the number and the amount of the check and the date the check cleared the bank. Capco agrees to provide OFCCP with copies of all canceled checks upon request.

- Documentation of specific hiring activity for Eligible Placement Class Members who
 were promoted/transfered into CNC Operator or Machine Operator positions in
 accordance with this Agreement, including name, date of promotion/transfer, job title
 promoted/transfered into, rate of pay and proof of retroactive seniority and benefits.
- For those Eligible Placement Class Members who were considered for employment but were not promoted/transfered, Capco will provide the reason for non-placement along with all relevant documentation (e.g., documentation that the Eligible Placement Class Member declined a job offer).

Pursuant to Violation 2, Capco will submit the following information in each progress report as provided in the Remedy section for Violation 2:

- Documentation of monetary payments to all Eligible Hiring Class Members as specified
 in paragraphs (b) and (d) of the Remedy of Violation 2. The documentation shall include
 the names of Eligible Hiring Class Members who were paid, and for each Eligible Hiring
 Class Member, the number and the amount of the check and the date the check cleared
 the bank. Capco agrees to provide OFCCP with copies of all canceled checks upon
 request.
- Documentation of specific hiring activity for Eligible Hiring Class Members who were hired into Craft Worker, Operative and Laborer positions in accordance with this Agreement, including name, date of hire, job title hired into, rate of pay and proof of retroactive seniority and benefits.
- For those Eligible Hiring Class Members who were considered for employment but were not hired, Capco will provide the reason for non-placement along with all relevant documentation (e.g., documentation that the Eligible Hiring Class Member declined a job offer).

Capco will continue submitting the above information in progress reports until OFCCP determines that the back pay and hires have been fully implemented. If complete documentation is provided in one progress report, it need not be resubmitted in a subsequent progress report.

Pursuant to Violations 1, 2, 3, 4, 5 and 6, Capco will submit the following in each progress report:

- The total number of job seekers, applicants and hires for each job title within the Craft Worker, Operative and Laborer job groups, or similar job groups, during the reporting period, including all temporary, part time, and seasonal workers who were referred to and/or assigned to work at Capco by a staffing firm or employment agency;
- For each job title within the Craft Worker, Operative and Laborer job groups, or similar
 job groups, the breakdown by applicable race, gender and ethnic group of applicants and
 hires, including all temporary, part time, and seasonal workers who were referred to
 and/or assigned to work at Capco by a staffing firm or employment agency;

- For Craft Worker, Operative and Laborer, or similar, positions, the results of Capco's
 analysis as to whether its total selection process has adverse impact, as defined in 41 CFR
 60-3.4D, on those members of groups set forth in 41 CFR 60-3.4 B;*
- For each case where the total selection process has an adverse impact, as defined in 41 CFR 60-3.4D, the results of Capco's evaluation of the individual components of the selection process for adverse impact; and
- The actions taken by Capco upon determining that any component of the selection process has an adverse impact on members of groups set forth in subparagraph 2, above.
- *For purposes of the adverse impact analysis, Capco must not include hires made of Eligible Hiring Class Members pursuant to this Agreement in that analysis.

Capco will retain records pertinent to the violations resolved by this Conciliation Agreement and to the reports submitted under it, including the underlying information on which the reports are based, until the expiration date of the Conciliation Agreement or consistent with regulatory requirements, whichever is later.

All dates and deadlines in this Agreement may be modified or extended by written agreement.

Capco agrees not to repeat the above violations.

This Conciliation Agreement will expire 60 calendar days after receipt of the final progress report or on the date the District Director gives notice to Capco that it has satisfied its reporting requirements, whichever occurs earlier, unless OFCCP notifies Capco in writing prior to the expiration of the 60-day period that Capco has not satisfied its reporting requirements pursuant to this Agreement.

Part V. SIGNATURES

Capco, LLC

This Conciliation Agreement is hereby executed by and between the OFCCP and Capco, LLC, 1328 Winters Ave., Grand Junction, Colorado.

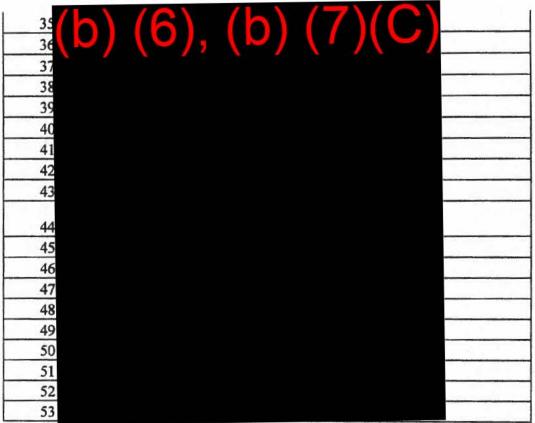
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CORDELL BENNIGSON CEO		A L. SPEER Director		

Regional Director Southwest and Rocky Mountain Region, OFCCP

Date: 1-10-2017

ATTACHMENT 1 AFFECTED PLACEMENT CLASS MEMBERS

Count	Full Nam	ie 📗	Gender	Job Title Hi	ired Into	
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^{*} These female Class Members are entitled to monetary relief, but not hiring opportunities since they were already provided a promotional opportunity.

ATTACHMENT 2 NOTICE TO AFFECTED CLASS

Dear [NAME]:

Capco, LLC ("Capco") and the Department of Labor's Office of Federal Contract Compliance Programs ("OFCCP") have entered into a Conciliation Agreement ("Agreement") to remedy the OFCCP violations of Executive Order 11246 ("E.O. 11246"), Section 503 of the Rehabilitation Act ("Section 503"), Vietnam Veterans Readjustment Assistance Act ("VEVRAA") that OFCCP found during a compliance review of Capco's Grand Junction, Colorado facility. According to OFCCP's analysis of Capco's placement process and selection procedures, during the period of February 19, 2011 through October 31, 2013 ("review period"), Capco discriminated against employees hired into CNC Operator, Machine Operator, Production Tech and Production Worker jobs. OFCCP found that there was a disparity in the placement of CNC Operator, Machine Operator, Production Tech and Production Worker jobs based on gender. Capco has not admitted to any violation of E.O. 11246 and there has not been any adjudicated finding that Capco violated any laws. OFCCP and Capco entered into the Agreement to resolve the matter without resorting to further legal proceedings. You have been identified as an individual who was hired into a Production Tech or Production Worker position during that time period.

As part of this Agreement, you may be eligible to receive a distribution of at least \$______ less lawful payroll deductions. Under the terms of this Agreement it may take approximately four (4) months from the date of this letter before you receive your distribution. In order to be eligible for a payment, you must complete, sign, and return the enclosed Information Verification and Employment Interest Form and the Release of Claims Under Executive Order 11246. You should complete and mail back the forms as soon as possible; your mailing must be postmarked to the address below no later than [90 calendar days from the Effective Date of the CA] for you to be entitled to participate in this settlement:

Personnel Manager Capco, LLC 1328 Winters Ave. Grand Junction, CO 81502

Upon receipt of the above documents, a final determination will be made regarding your eligibility. You may use the enclosed postage-paid return envelope to return the completed and signed Information Verification and Employment Interest Form and Release Form.

IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENTS TO THE ADDRESS SHOWN ABOVE, ON OR BEFORE [90 CAEENDAR DAYS FROM THE EFFECTIVE DATE OF THE CA]. YOU WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT OR TO BE CONSIDERED FOR A JOB OFFER.

Sincerely,

(NAME)

Enclosures

Information Verification and Employment Interest Form Release of Claims Under Executive Order 11246

ATTACHMENT 3 INFORMATION VERIFICATION & EMPLOYMENT INTEREST FORM

You must complete this form [within 90 calendar days of the effective date of the CA] in order to be eligible for the monetary payment and/or employment opportunities under the terms of the Conciliation Agreement ("Agreement") between Capco, LLC ("Capco") and the Department of Labor's Office of Federal Contract Compliance Programs ("OFCCP"). Please print legibly, except for the signature.

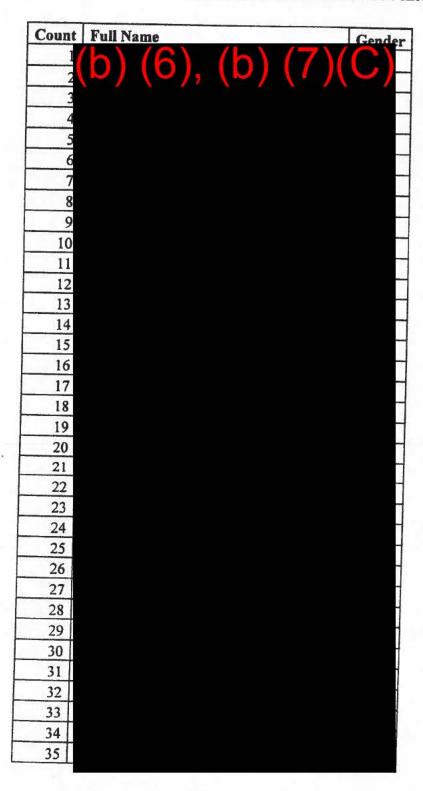
Name:		
Address:		
Telephone Nos.: Home	Cell	Work
E-mail:		
Notify Capco at the address belomonths.	ow if your address or ph	one number changes within the next twelve
Your Social Security Number (t	o be used for tax purpos	ses only):
For purposes of this settlement,	it is necessary to verify	your gender:
Male [] Female []		
position with Capco. If you com	plete, sign, and return the your remain eligible for	ted in a CNC Operator or Machine Operator his Information Verification and Employment r the monetary payment whether or not you are
[] Yes, I am interested in a po	osition with Capco as a	CNC Operator or Machine Operator.
[] No, I am not currently inte	rested in a position with	Capco as a CNC Operator or Machine Operator
CLAIMS FORM TO THE AD	DRESS BELOW ON THE CA), YOU WILL	IS DOCUMENT AND THE RELEASE OF OR BEFORE [90 CALENDAR DAYS FROM L NOT BE ELIGIBLE TO RECEIVE A B OFFER.
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(print name)		
Signature	Date	

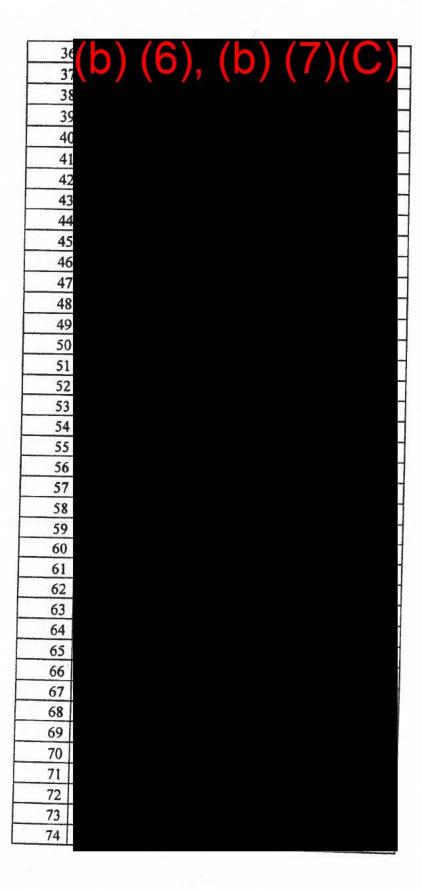
ATTACHMENT 4 RELEASE OF CLAIMS UNDER EXECUTIVE ORDER 11246

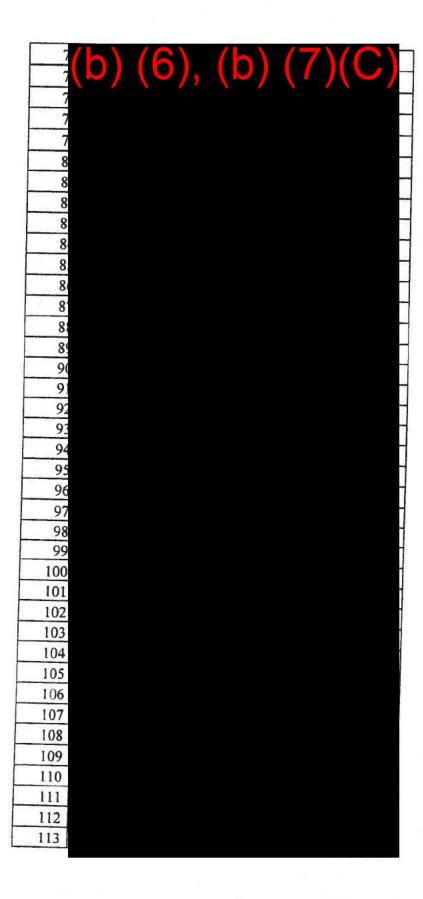
This Release of Claims under Executive Order 11246 ("Release") is a legal document. This document states that in return for Capco, LLC ("Capco") paying you money, you agree that you will not file any lawsuit against Capco for allegedly violating Executive Order 11246 in connection with its selection procedures for hires into CNC Operator, Machine Operator, Production Tech and Production Worker positions. It also says that Capco 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.

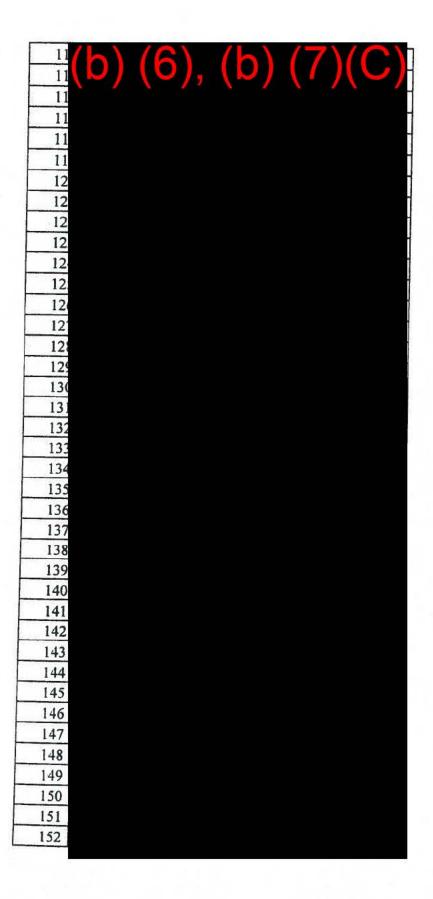
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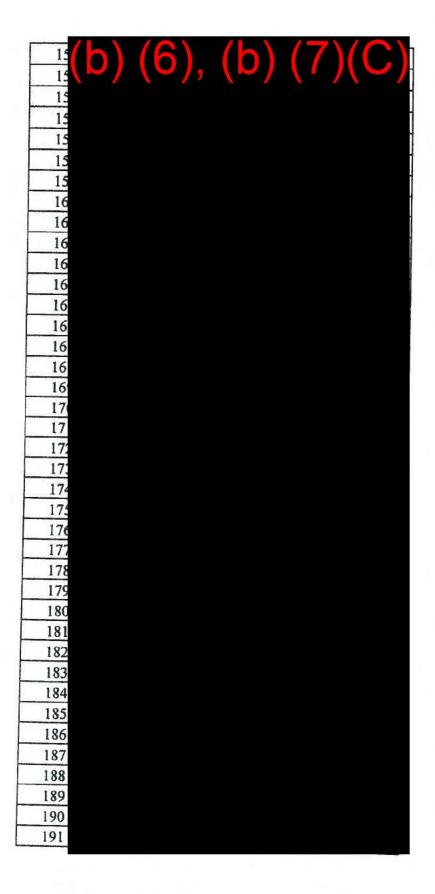
ATTACHMENT 5 AFFECTED HIRING CLASS MEMBERS







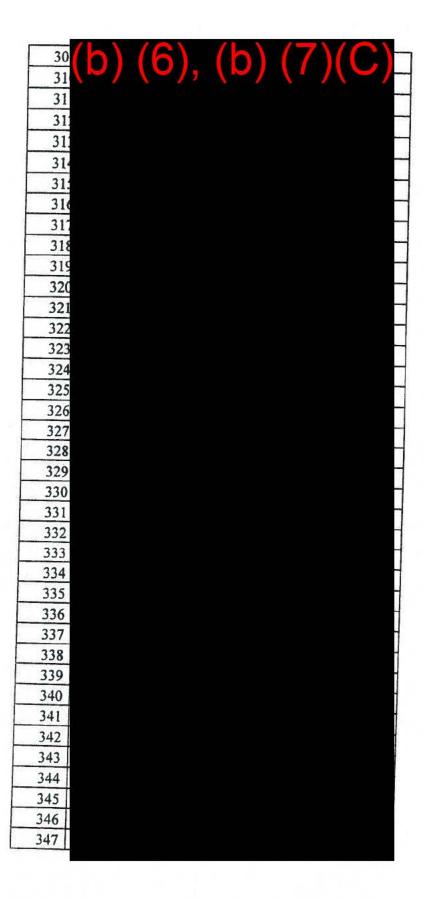


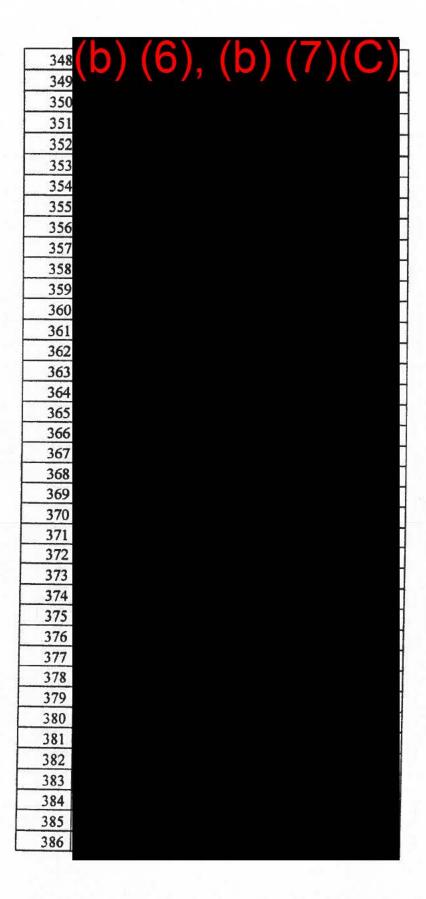


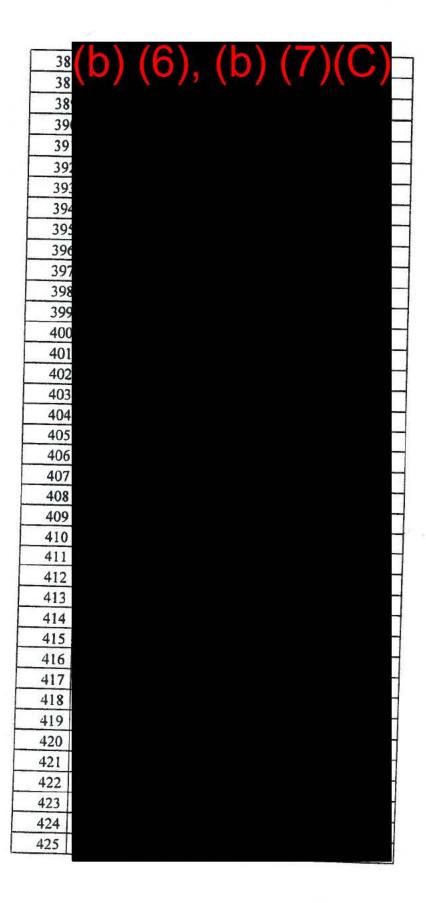
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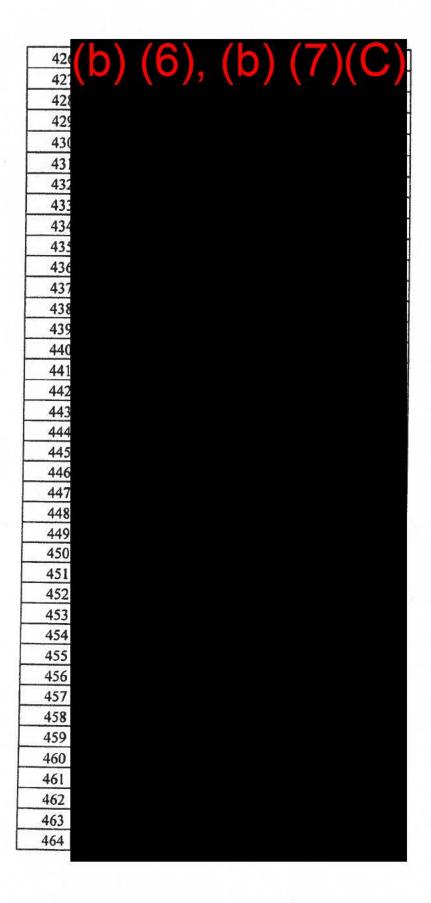
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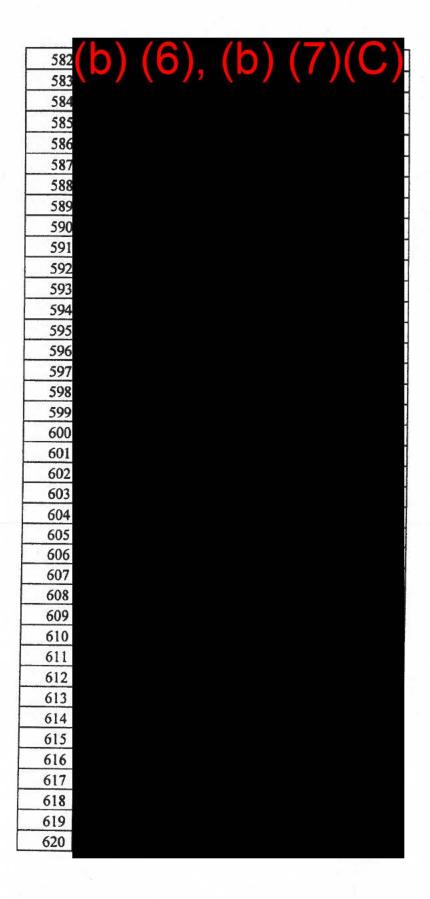




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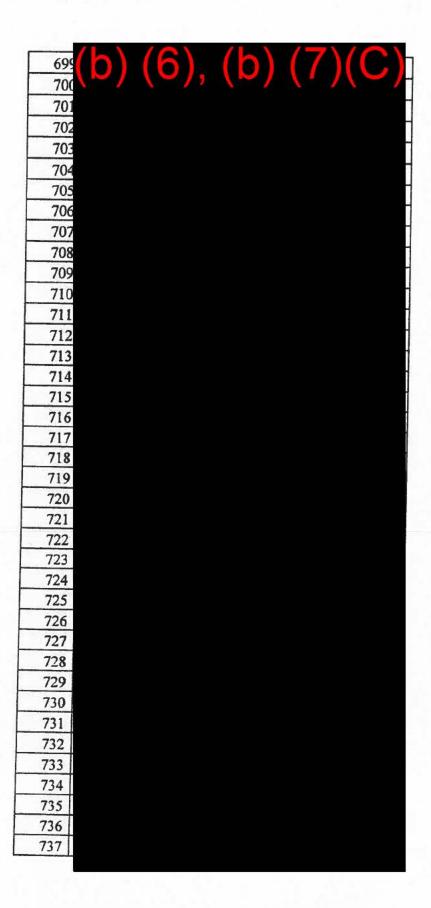
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ATTACHMENT 6 NOTICE TO AFFECTED CLASS

Dear [NAME]:

Capco, LLC ("Capco") and the Department of Labor's Office of Federal Contract Compliance Programs ("OFCCP") have entered into a Conciliation Agreement ("Agreement") to remedy the OFCCP violations of Executive Order 11246 ("E.O. 11246"), Section 503 of the Rehabilitation Act ("Section 503"), Vietnam Veterans Readjustment Assistance Act ("VEVRAA") that OFCCP found during a compliance review of Capco's Grand Junction, Colorado facility. According to OFCCP's analysis of Capco's hiring process and selection procedures, during the period of February 19, 2011 through October 31, 2013 ("review period"), Capco discriminated against certain applicants for Craft Worker, Operative and Laborer jobs. OFCCP found that there was a disparity in the hiring of Craft Worker, Operative and Laborer jobs based on gender. Capco has not admitted to any violation of E.O. 11246 and there has not been any adjudicated finding that Capco violated any laws. OFCCP and Capco entered into the Agreement to resolve the matter without resorting to further legal proceedings. You have been identified by OFCCP as an individual who applied for a Craft Worker, Operative or Laborer job during that time period.

As part of this Agreement, you may be eligible to receive a distribution of at least \$_____ less lawful payroll deductions. Under the terms of this Agreement it may take up to seven (7) months from the date of this letter before you receive your distribution. In order to be eligible for a payment, you must complete, sign, and return the enclosed Information Verification and Employment Interest Form and the Release of Claims Under Executive Order 11246. You should complete and mail back the form as soon as possible; it must be postmarked to the address below no later than [120 calendar days from the Effective Dates of the CA] for you to be entitled to participate in this settlement:

Personnel Manager Capco, LLC 1328 Winters Ave. Grand Junction, CO 81502

Upon receipt of the above documents, a final determination will be made regarding your eligibility. You may use the enclosed postage-paid return envelope to return the completed and signed Information Verification and Employment Interest Form.

IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENTS TO THE ADDRESS SHOWN ABOVE, ON OR BEFORE [120, CALENDAR, DAYS FROM THE EFFECTIVE DATE; OF THE CA]. YOU WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT OR TO BE CONSIDERED FOR A JOB OFFER.

Sincerely,

(NAME)

Enclosures

Information Verification and Employment Interest Form Release of Claims Under Executive Order 11246

ATTACHMENT 7 INFORMATION VERIFICATION & EMPLOYMENT INTEREST FORM

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

Name:			
Address:			
Telephone Nos.: Home	Cell	Work	
E-mail:		***************************************	
Notify Capco at the address belo	w if your address or ph	one number changes within the next tw	velve
Your Social Security Number (to	be used for tax purpos	es only):	
For purposes of this settlement,	it is necessary to verify	your gender:	
Male [] Female []			
position with Capco. If you com	plete, sign, and return t	ed in a Craft Worker, Operative or Lab nis Information Verification and Emplo ment whether or not you are interested	yment
[] Yes, I am interested in a po	sition with Capco as a	Craft Worker, Operative or Laborer.	
[] No, I am not currently inter	rested in a position with	Capco as a Craft Worker, Operative of	r Laborer.
ON OR BEFORE [120 CALEN	DAR DAYS FROM	IS DOCUMENT TO THE ADDRES THE EFFECTIVE DATE OF THE CENT OR TO BE CONSIDERED FO	EAL YOU
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	Capco, 1		
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	Grand Junction,	CO 81502	
I,	, certify the al	ove is true and correct.	
(print name)			
Signature	Date		

ATTACHMENT 8 RELEASE OF CLAIMS UNDER EXECUTIVE ORDER 11246

This Release of Claims under Executive Order 11246 ("Release") is a legal document. This document states that in return for Capco, LLC ("Capco") paying you money, you agree that you will not file any lawsuit against Capco for allegedly violating Executive Order 11246 in connection with its selection procedures for applicants Craft Worker, Operative and Laborer positions. It also says that Capco 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.

you will not receive any money.
In consideration of the payment of at least \$ (less deductions required by law) by Capco to me, which I agree is acceptable, I agree to the following:
print name
I,
I hereby waive, release and forever discharge Capco, 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 in any way to my non-selection for employment as a Craft Worker, Operative and Laborer on the basis of my gender at any time through the effective date of this Release.
II.
I understand that Capco denies that it treated me unlawfully or unfairly in any way and that Capco 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 placement and to resolve the matter without further legal proceedings in the compliance review initiated by OFCCP on February 15, 2013. I further agree that the payment of the aforesaid sum by Capco to me is not to be construed as an admission of any liability by Capco.
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 Capco on or before [120 calendar days from the Effective Date of the CA], I will not be entitled to receive any payment (less deductions required by law) from Capco.
IN WITNESS WHEREOF, I have signed this document on this day of, 20
Signature