CONCILIATION AGREEMENT
BETWEEN
THE U.S. DEPARTMENT OF LABOR
OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS
AND
MILSPRAY, LLC
845 TOWBIN AVENUE
LAKEWOOD, NEW JERSEY 08701
OFCCP CASE NO. R00171025

PART I: General Provisions

1. This Agreement is between the Office of Federal Contract Compliance Programs (hereinafter OFCCP) and Milspray, LLC, 845 Towbin Avenue, Lakewood, NJ 08701 (hereinafter Milspray).

2. The violations identified in this Agreement were found during a compliance review of Milspray, which began on December 28, 2011, and they were specified in a Notice of Violations issued June 22, 2012. OFCCP alleges that Milspray has violated Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans’ Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212) and implementing regulations at 41 CFR Chapter 60 due to the specific violations cited in Part II below.

3. This Agreement does not constitute an admission by Milspray of any violation of Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and/or the Vietnam Era Veterans’ Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212) and implementing regulations.

4. The provisions of this Agreement will become part of Milspray’s Affirmative Action Program. Subject to the performance by Milspray of all promises and representations contained herein and its AAP, all named violations in regard to the compliance of Milspray with all OFCCP programs will be deemed resolved. However, Milspray is advised that the commitments contained in this Agreement do not preclude future determinations of noncompliance based on a finding that the commitments are not sufficient to achieve compliance.
5. Milspray agrees that OFCCP may review compliance with this Agreement. As part of such review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents, as may be relevant to the matter under investigation and pertinent to Milspray’s compliance. Milspray shall permit access to its premises during normal business hours for these purposes.

6. Nothing herein is intended to relieve Milspray from the obligation to comply with the requirements of Executive Order 11246, as amended, and/or Section 503 of the Rehabilitation Act of 1973, as amended, and/or the Vietnam Era Veterans’ Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212), and implementing regulations, or any other equal employment statute or executive order or its implementing regulations.

7. Milspray agrees that there will be no retaliation of any kind against any beneficiary of this Agreement, or against any person who has provided information or assistance, or who files a complaint, or who participates in any manner in any proceedings under Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and/or the Vietnam Era Veterans’ Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212).

8. This Agreement will be deemed to have been accepted by the Government on the date of signature by the Regional Director for OFCCP, unless the Director, OFCCP indicates otherwise within 45 days of the Regional Director’s signature of this Agreement.

9. If at any time in the future, OFCCP believes that Milspray has violated any portion of this Agreement during the term of this Agreement; Milspray will be promptly notified of that fact in writing. This notification shall include a statement of the facts and circumstances relied upon in forming that belief. In addition, the notification will provide Milspray with 15 days from receipt of the notification to respond in writing, except where OFCCP alleges that such a delay would result in irreparable injury.

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

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

Liability for violation of this Agreement may subject Milspray to sanctions set forth in Section 209 of the Executive Order 11246, 41 CFR 60-300.66, and 41 CFR 60-741.66 and/or other appropriate relief.
PART II: Specific Provisions

1. **VIOLATION:** Milspray failed to provide equal employment opportunity to five minority employees with respect to compensation. Specifically, Milspray did not provide equitable pay to four minority (1, 2, 3, and 4) employees in the position, and one minority employee in the position when compared with similarly situated individuals. Education, experience and work performance did not explain the compensation disparities. Accordingly, Milspray’s failure to equally compensate the five minority employees is a violation of 41 CFR 60-1.4(a)(1).

**REMEDY:** With respect to the four minority employees in the position (Employee ID [redacted]), Milspray adjusted their salaries from $13.00 per hour to $15.00 per hour. Milspray adjusted the salaries of three employees (Employee ID [redacted]) on March 15, 2012, and Milspray adjusted the salary of one employee (Employee ID [redacted]) on April 2, 2012. Milspray will immediately provide back pay plus interest to the four minority employees in the position. On February 4, 2012, Milspray adjusted the salary of a minority employee in the position. His salary was adjusted from $15.00 per hour to $17.00 per hour and Milspray provided him partial back pay in the amount of $374.00. Milspray will immediately provide him with additional back pay plus interest equivalent to the amount described in Part “e.”

Specifically, within thirty (30) days from the Effective Date of this Conciliation Agreement (the Effective Date being the date of the Regional Director’s signature), Milspray will remit back pay plus interest in the amount of $6,552.02 to five minority incumbents as described below:

a. Provide back pay in the amount of $1,895.58, which includes $1,870.20 in back pay and interest in the amount of $25.38, less applicable deductions, for the period of January 3, 2011 to November 30, 2011 (adjustment of $0.34 per hour), and for the period of December 1, 2011 to March 15, 2012 (adjustment of $2.00 per hour);

b. Provide back pay in the amount of $1,299.18, which includes $1,289.50 in back pay and interest in the amount of $9.68, less applicable deductions, for the period of December 1, 2011 to March 15, 2012;

c. Provide back pay in the amount of $1,194.40, which includes $1,185.50 in back pay and interest in the amount of $8.90, less applicable deductions, for the period of December 1, 2011 to March 15, 2012;

d. Provide back pay in the amount of $1,749.79, which includes $1,736.76 in back pay and interest in the amount of $13.03, less applicable deductions, for the period of December 1, 2011 to April 2, 2012;
Milspray, LLC, Lakewood, NJ – Conciliation Agreement
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e. Provide back pay in the amount of $413.07, which includes $410.00 in back pay and interest in the amount of $3.07, less applicable deductions, for the period of October 3, 2011 to February 4, 2012.

f. Provide training to managers and other employees involved in making compensation decisions for the and positions. Milspray estimates the cost of the management and employee training to be $1,500.00.

Interest rates were calculated using the Internal Revenue Service’s underpayment formula.

The Attachment to this Agreement contains the itemization of back pay and interest owed to the minority employees.

2. VIOLATION: During the period of January 1, 2011 through December 31, 2011, Milspray failed to implement an applicant tracking system for hires in accordance with the requirements of 41 CFR 60-3.4 and 41 CFR 60-3.15. Specifically, Milspray failed to collect race and gender on all applicants for available positions.

REMEDY: Effective immediately, Milspray will implement an updated and refined applicant tracking system for all applicants that permits Milspray to analyze its pool of applicants for: a) Affirmative action purposes to monitor whether the process is yielding an adequate pool of qualified minority and female applicants; and b) Nondiscrimination purposes to monitor for disparate treatment or unlawful adverse impact in the selection process.

3. VIOLATION: Milspray failed to preserve all personnel or employment records for a period of not less than two years from the date of the making of the record or the personnel action involved, whichever occurred later. Specifically, during period of January 1, 2011 through December 31, 2011, Milspray did not preserve applications and/or resumes for all applicants for available positions. This is in violation of 41 CFR 60-1.12(a) (d), 41 CFR 60-300.80(a) and 41 CFR 60-741.80(a).

REMEDY: Effective immediately, Milspray will preserve all personnel and employment records it makes or keeps in either electronic or hard copy format, including but not limited to all applications and/or resumes for a period of not less than two years from the date of the making of the record or the personnel action involved, whichever occurs later. Where a compliance evaluation has been initiated by OFCCP, Milspray will preserve all personnel and employment records beyond the two-year period, if applicable, until OFCCP makes a final disposition in the matter.
4. **VIOLATION:** During the period of January 1, 2011 through December 31, 2011, Milspray failed to list a total of nineteen employment openings that were not executive and top management, were not filled from within Milspray’s organization and were not positions lasting three days or less. Milspray failed to list any of those nineteen openings with the state workforce agency job bank or with the local employment delivery system serving the location where openings occur. This is a violation of 41 CFR 60-300.5(a) 2-6.

**REMEDY:** Effective immediately, Milspray will list all appropriate employment openings with the state workforce agency job bank or with the local employment delivery system serving the location where openings occur, which is the Ocean County, New Jersey One-Stop Career Center, located at 1027 Hooper Avenue, Building #6, Toms River, New Jersey 08753. Milspray will list all employment openings with the state workforce agency job bank or with the local employment delivery system serving the location where openings occur at least concurrently with the use of any other recruitment source or effort, in accordance with the requirements contained in the regulations.

5. **VIOLATION:** During the period of January 1, 2011 through December 31, 2011, Milspray failed to undertake appropriate outreach and positive recruitment activities that are reasonably designed to effectively recruit qualified disabled veterans, recently separated veterans, other protected veterans, Armed Forces Service Medal veterans and qualified individuals with disabilities as required by 41 CFR 60-300.44(f) and 41 CFR 60-741.44(f). In addition, Milspray did not provide documentation that it sent written notification of its affirmative action policy to all subcontractors, vendors and suppliers, requesting appropriate action on their part.

**REMEDY:** Effective immediately, Milspray will undertake appropriate outreach and positive recruitment activities designed to recruit qualified disabled veterans, recently separated veterans, other protected veterans, Armed Forces Service Medal veterans and qualified individuals with disabilities. Milspray will solicit the assistance and support of the following organizations by sending its job vacancy announcements to:

**STATE OF NJ DIVISION OF VOCATIONAL REHABILITATION SERVICES**

ATTN: Cheryl Degraff-Shankle, Manager
1027 Hooper Avenue, Building 6, 3rd Floor, Suite 1
Toms River, New Jersey 08753
Telephone: (732) 505-2310
dvrtomsr@dol.state.nj.us

**PROJECT HIRE/THE ARC OF NEW JERSEY**

ATTN: Frank DeLucca, Assistant Director
985 Livingston Ave.
North Brunswick, New Jersey 08902
Telephone: (732) 246-2525 ext. 15
fdelucca@arcnj.org
HIREABILITY
ATTN: [redacted] Associate Director
Camden County College
P.O. Box 200
Blackwood, New Jersey 08012
Telephone: [redacted] Fax: [redacted]
<camdencc.edu>

WWW.VETSUCCESS.GOV
POC: [redacted] Employment Coordinator
U.S. Department of Veterans Affairs, VR&E Division
The Ocean County Southern Service Center
179 S. Main Street, Room 5
Manahawkin, New Jersey 08050
Telephone: [redacted] Cell: [redacted] Fax: [redacted]

POC: [redacted] Employment Coordinator
U.S. Department of Veterans Affairs, VR&E Division
Newark Regional Office
20 Washington Place, 2nd Floor
Newark, New Jersey 07102
Telephone: [redacted] Fax: [redacted]
<va.gov>

OCEAN COUNTY ONE-STOP CAREER CENTER
ATTN: [redacted] Manager
1027 Hooper Avenue, Building #6
Toms River, New Jersey 08753-8392
Telephone: [redacted] Fax: [redacted]
@dol.state.nj.us

FUTURE CONDUCT: Milspray will not repeat the above violations.

PART III: Reporting

In order for OFCCP to monitor Milspray's progress toward fulfilling the provisions of this Agreement, Milspray shall submit the four specific reports identified below.

Milspray will send each report to:

U. S. Department of Labor
Office of Federal Contract Compliance Programs
Diamond Head Building
200 Sheffield Street, Room 102
Mountainside, New Jersey 07092
Attn: Compliance Officer [redacted]
Report 1 is due July 30, 2012 or thirty (30) days from the Effective Date of this Agreement and will include:

- Documentation of back payments plus interest paid to the five (5) minority employees as specified in subparagraphs a, b, c, d and e of the Remedy to Violation 1.

The documentation must include copies of all checks disbursed by Milspray to Employee ID (0)(0), Employee ID (0)(0), Employee ID (0)(0), Employee ID (0)(0), and Employee ID (0)(0).

Report 2 is due September 13, 2012 or seventy-five (75) days from the Effective Date of this Agreement and will include:

1. Copies of canceled checks disbursed by Milspray to Employee ID (0)(0), Employee ID (0)(0), Employee ID (0)(0), Employee ID (0)(0), Employee ID (0)(0), or other equivalent documentation verifying that these five (5) minority employees were paid.

2. Documentation that Milspray provided training to its human resource managers and other employees who participate in compensation decision making. This documentation must identify the following:

- Time and place of the training;
- Name and job title of the trainer(s) and personnel attending the training;
- Subject matter discussed relative to the company's compensation administration system; and
- Amount of training provided, including hours and all expenses incurred.

Report 3 is due January 31, 2013 and will cover the period beginning January 1, 2012 to December 31, 2012.

The 4th and final report is due January 31, 2014 and will cover the period beginning January 1, 2013 through December 31, 2013.

Reports 3 and 4 shall contain the following:

a) A listing of all employees in the positions to include name, race, ethnicity, date of hire, current job title, date in current job, previous job title, current hourly pay rate, work shift, and full-time/part-time status;

b) The total number of applicants and hires for all job titles or job groups during the reporting period;

c) For each job title or job group, the breakdown by applicable race, gender and ethnic group of applicants and hires;
For each job title or job group, the results of Milspray’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 subparagraph c, above;

d) For each job title or job group, where adverse impact is indicated, the qualifications that Milspray used, if any, and the stage at which Milspray used the qualification(s), as a screening device;

e) For each case where the total selection process has an adverse impact, as defined in 41 CFR 60-3.4D, the results of Milspray’s evaluation of the individual components of the selection process for adverse impact;

f) The actions taken by Milspray, where action is appropriate, after determining that any component of the selection process has an adverse impact on members of groups set forth in subparagraph c, above;

g) The actions taken by Milspray, where action is appropriate, after determining that any component of the selection process has an adverse impact on members of groups set forth in subparagraph c, above;

h) Documentation of Milspray’s listing of all job openings, as defined by the regulations, with the state workforce agency job bank or the local employment service delivery system where the openings occur; along with a report on the number of referrals/responses and the number of hires, providing for the hires, to the extent known, the number of recently separated veterans, other protected veterans, Armed Forces Service Medal veterans and other veterans covered by OFCCP’s regulations; and

i) Documentation of Milspray’s outreach and positive recruitment activities designed to recruit qualified disabled veterans, recently separated veterans, other protected veterans, Armed Forces Service Medal veterans, and persons with disabilities.

Milspray shall retain all records pertinent to the violations resolved by this Conciliation Agreement and the reports submitted under it (including the underlying data/information upon which the reports are based) until the expiration date of this Conciliation Agreement or consistent with regulatory timeframes, whichever is later.

**Termination Date:**

The termination date of this Agreement will expire sixty (60) days after receipt of the final progress report or if compliance is not accomplished by that date, then this Agreement shall remain in full force and effect until compliance is achieved.

This Agreement represents the full Agreement between Milspray, LLC and the Agency and this Agreement supersedes any other agreements, oral or written. In signing this Agreement, neither Milspray, LLC nor the Agency relies upon any promise, representation of fact or law, or other inducement that is not expressed in this Agreement. This Agreement may be modified only by written agreement of the Parties affected and may not be modified by any oral agreement.
PART IV: Signatures

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

TODD BULLIVANT
President
Millspray, LLC
Lakewood, NJ

DATE 6/28/12

Compliance Officer
Mountainside District Office
OFCCP – Northeast Region

TOXI ROANE
Assistant District Director
Mountainside District Office
OFCCP – Northeast Region

DATE 6/29/12

PRANITA A. RAGHAVAN, ESQ.
District Director
Mountainside District Office
OFCCP – Northeast Region

DATE 6/29/2012

MICHELE HODGE
Acting Regional Director
OFCCP – Northeast Region

DATE 6/29/2012
**ATTACHMENT**

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