

Conciliation Agreement
Between the United States Department of Labor
Office of Federal Contract Compliance Programs
And
Safety and Ecology Corporation
2800 Solway Road
Knoxville, Tennessee 37931-3015

PART I: General Provisions

1. This Agreement is between the Office of Federal Contract Compliance Programs (hereinafter OFCCP) and Safety and Ecology Corporation (hereinafter SEC).
2. The violation identified in this Agreement was found during a compliance evaluation of SEC at its establishment located at 2800 Solway Road, Knoxville, Tennessee, which began on April 12, 2011, and it was specified in a Notice of Violation issued June 28, 2011. OFCCP alleges that SEC has violated Executive Order 11246, as amended and its implementing regulations at 41 CFR Chapter 60, due to the specific violation cited in Part II below.
3. This Agreement does not constitute an admission by SEC of any violation of Executive Order 11246, as amended and its implementing regulations.
4. The provisions of this Agreement will become part of SEC's affirmative action program (AAP). Subject to the performance by SEC of all promises and representations contained herein and in its AAP, all named violations in regard to the compliance of SEC with all OFCCP programs will be deemed resolved. However, SEC 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. SEC 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 SEC's compliance. SEC shall permit access to its premises during normal business hours for these purposes.
6. Nothing herein is intended to relieve SEC from the obligation to comply with the requirements of Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212) and their implementing regulations, or any other equal employment statute or executive order or its implementing regulations.
7. SEC 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 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

**Safety and Ecology Corporation
Conciliation Agreement**

signature by the District Director for OFCCP, unless the Regional Director or Deputy Assistant Secretary, OFCCP, indicates otherwise within 45 days of the Regional Director's signature on this Agreement.

9. If, at any time in the future, OFCCP believes that SEC has violated any portion of this Agreement during the term of this Agreement, SEC will be promptly notified of that fact in writing. This notification will include a statement of the facts and circumstances relied upon in forming that belief. In addition, the notification will provide SEC 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 issuing a Show Cause Notice.

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

Liability for violation of this Agreement may subject SEC to sanctions set forth in Section 209 of the Executive Order and/or other appropriate relief.

PART II: Specific Provisions

VIOLATION: Compensation data provided by SEC for employees on December 31, 2010 revealed that SEC provided lower compensation to two female employees than to similarly situated male employees in the same job title, (b) (7) (c) —Oak Ridge. Time with SEC, time in current job title, experience, and performance did not explain the disparities in compensation. Accordingly, OFCCP finds that SEC discriminated against two female (b) (7) (c) employees (hereinafter Class Members), when SEC paid them less than their male (b) (7) (c) comparators because of their gender, in violation of 41 CFR 60-1.4(a) (1).

REMEDY: Although SEC affirms that this disparity in pay was unintentional, SEC will immediately bring both Class Members (named in Attachment A to this Agreement) up to an hourly rate of (b) (7) (c) the rate they would be receiving but for the above stated violation. Additionally, SEC will disburse to the Class Members \$1,366.34 in back pay, \$24.08 in interest and \$194.66 in back benefits, for a total of \$1,585.08. Of the aforementioned amount, SEC will pay the First Class Member \$668.51 and the Second Class Member \$916.57. SEC will provide the back pay, back benefits and interest to the Class Members in lump sum, minus deductions required by law.

SEC will not retaliate, harass, or engage in any form of reprisal or other adverse action against these Class Members based on or in relation to the terms or provisions of this Remedy.

SEC will immediately review its compensation system and revise it, as appropriate, to ensure that this violation ceases. In addition, SEC will review its compensation system at least

**Safety and Ecology Corporation
Conciliation Agreement**

annually and revise it, as needed, to ensure that this violation does not recur.

FUTURE CONDUCT: SEC will not repeat the above violation.

PART III: Reporting

SEC shall submit **two reports**, as stated below, to Ronald Bailey, District Director—Nashville, United States Department of Labor, Office of Federal Contract Compliance Programs, 1321 Murfreesboro Road, Suite 301, Nashville, TN 37217; Attention: (b) (7) (c) Compliance Officer.

The **first report** will be due 60 days after the date this Agreement is signed by the District Director, OFCCP. The first report shall consist of the following:

1. Copies of personnel forms confirming salary adjustments made to the two Class Members;
2. Evidence of back pay, interest and benefits monies disbursed to the Class Members, including copies of the cancelled checks and pay slips showing the gross amounts of and legal deductions from back pay monies; and
3. Results of SEC's review of its compensation system, including findings, compensation policy and/or practice changes, additional equity adjustments made and back pay disbursed, where applicable.

The **second report** will be due 120 days after the date this Agreement is signed by the District Director, OFCCP. The second report shall consist of the following:

1. Documentation of training that SEC provided on its equal employment opportunity programs for all persons involved in determining compensation amounts paid to SEC's employees, including date(s) of training; names and titles of recipients; and invoices showing cost; and
2. Results of SEC's follow-up annual review of its compensation system, including findings, compensation policy and/or practice changes, additional equity adjustments and back pay, where applicable.

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

INTEGRATION CLAUSE: This Agreement represents the full Agreement between SEC and the Agency and this Agreement supersedes any other agreements, oral or written. In signing this Agreement, neither SEC 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.

**Safety and Ecology Corporation
Conciliation Agreement**

PART IV: Signatures

The person signing this Conciliation Agreement on behalf of Safety and Ecology Corporation personally warrants that he is fully authorized to do so, that Safety and Ecology Corporation 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 Safety and Ecology Corporation. This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Safety and Ecology Corporation.

DATE: 7 July 2011

(b) (7) (c)

Chris Leichtweis
Chief Executive Officer
Safety and Ecology Corporation
2800 Solway Road
Knoxville, Tennessee 37931-3015

DATE: 7/12/11

(b) (7) (e)

Compliance Officer—Nashville
Office of Federal Contract
Compliance Programs

DATE: 7/13/11

(b) (7) (c)

Robert Brown
Assistant District Director—Nashville
Office of Federal Contract
Compliance Programs

DATE: 7/13/11

(b) (7) (c)

Ronald Bailey
District Director—Nashville
Office of Federal Contract
Compliance Programs

QUALIFIED CLASS MEMBERS

First Class Member (b) (7) (c)

Second Class Member (b) (7) (c)