

**Conciliation Agreement**

**Between**

**U.S. Department of Labor  
Office of Federal Contract Compliance Programs**

**and**

**Ultramet, Inc.  
12173 Montague Street  
Pacoima, California 91331**

**PART I: General Provisions**

1. This Agreement is between the Office of Federal Contract Compliance Programs (hereinafter "OFCCP") and Ultramet, Inc. (hereinafter "Ultramet") located at 12173 Montague Street, Pacoima, California 91331.
2. The violations identified in this Agreement were found during a compliance evaluation of Ultramet which began on July 6, 2011, and were specified in a Notice of Violation issued on March 5, 2012. OFCCP alleges that Ultramet has violated Executive Order 11246, as amended, and the 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 Ultramet of any violation of Executive Order 11246, as amended, and implementing regulations.
4. The provisions of this Agreement will be part of Ultramet's Affirmative Action Program (hereinafter "AAP"). Subject to the performance by Ultramet of all promises and representations contained herein, and its AAP, all identified violations in regard to the compliance of Ultramet with all OFCCP programs will be deemed resolved. However, Ultramet 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. Ultramet 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 Ultramet's compliance. Ultramet shall permit access to its premises during normal business hours for these purposes.
6. Nothing herein is intended to relieve Ultramet from the obligation to comply with the requirements of Executive Order 11246, as amended, and implementing regulations, or any other equal employment statute or executive order or its implementing regulations.

7. Ultramet 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 to the OFCCP, or who files a complaint, or who participates in any manner in any proceeding under Executive Order 11246, as amended.
8. This Agreement will be deemed to have been accepted by the Government on the date of signature by the District Director, unless the Director or Regional Director for OFCCP indicates otherwise within 45 days of the District Director's signature on this Agreement.
9. If at any time in the future, OFCCP believes that Ultramet has violated any portion of this Agreement during the term of this Agreement, Ultramet 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 Ultramet 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 Ultramet 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 Ultramet to sanctions (as applicable) set forth in Section 209 of the Executive Order and other appropriate relief.

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Ultramet, Inc.

**PART II: Specific Provisions**

1. **VIOLATION:** Ultramet failed to ensure that its employees are compensated without regard to their race as required by 41 CFR 60-1.4(a). A review of compensation practices for the (b) (7)(C) position as of July 20, 2011 revealed that a Black employee received a lower merit increase and bonus than his similarly-situated non-Black comparators.

Specifically, a review of the available records, job descriptions and pay information provided by Ultramet and the results of interviews with managers and employees conducted during the compliance evaluation support the finding that a Black employee received a lower merit increase and bonus than his similarly-situated non-Black comparators.

**REMEDY:** Ultramet agrees to revise its compensation practices and take steps to ensure that its compensation system provides an equal opportunity to all of its employees, regardless of race or gender. This applies to all aspects of compensation, including, but not limited to, initial salary at time of hire, merit increases, bonuses and progression into higher paying categories. In order to resolve this violation, Ultramet agrees to the following:

- a. Provide back pay and interest to (b) (7)(C) from January 1, 2009 to December 31, 2009. Interest will accrue until this violation is resolved through a signed conciliation agreement.
- b. Conduct an analysis of its compensation practices as they impact all employees.
- c. Develop and implement compensation policies and procedures that will not differentiate compensation on the basis of race and gender of employees.
- d. Provide training to those managers who participate in the application of any component of the compensation system at Ultramet. The purpose is to familiarize those managers with principles underlying the uniform application of criteria, which are used to establish compensation.

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**PART III: Reporting**

Ultramet agrees to retain records pertinent to the violations resolved by this Conciliation Agreement. Ultramet agrees to submit one progress report, as specified below, to the U.S. Department of Labor, Office of Federal Contract Compliance Programs, Los Angeles District Office, 1640 S. Sepulveda Blvd., Suite 440 Los Angeles, California 90025.

**REPORTING PERIOD**

Effective Date of Agreement – June 30, 2012

**DUE DATE**

July 31, 2012

**The progress report will include the following:**

1. Evidence of back pay given to (b) (7)(C) in the amount of \$1,218.08 plus any additional accrued interest.
2. Evidence of training provided to managers who participate in the application of any component of the compensation process, including the date and the location of the training, names and positions of the trainers, names and positions of the managers who attended and copies of the sign-in sheet and training materials.

**Termination Date:**

This Agreement shall remain in effect until July 31, 2012 or until OFCCP's written acceptance of the progress report, whichever date is later.

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**PART IV: Signatures**

This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Ultramet located at 12173 Montague Street, Pacoima, California 91331.

DATE: March 20, 2012

(b) (7) (c)

ANDREW DUFFY  
President  
Ultramet, Inc.  
12173 Montague Street  
Pacoima, California 91331

DATE: 4/2/12

(b) (7) (c)

Compliance Officer  
Office of Federal Contract Compliance Programs  
Los Angeles District Office

DATE: 4-2-12

(b) (7) (c)

ROBERT DOLES  
Assistant District Director  
Office of Federal Contract Compliance Programs  
Los Angeles District Office

DATE: 4/2/12

(b) (7) (c)

JANE SMITH  
District Director  
Office of Federal Contract Compliance Programs  
Los Angeles District Office