

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
NORTHERN DIVISION

EQUAL EMPLOYMENT OPPORTUNITY)
COMMISSION,)
)
Plaintiff,)
)
v.)
RESIDENTIAL CARE, INC.,)
)
Defendant.)
_____)

Civil Action No.: L-00-cv-2924

CONSENT DECREE

FILED ENTERED
LODGED RECEIVED

APR 27 2001

AT BALTIMORE
CLERK U.S. DISTRICT COURT
DISTRICT OF MARYLAND

BY

DEPUTY

INTRODUCTION

This action was instituted by Plaintiff, Equal Employment Opportunity Commission ("EEOC" or "Commission"), against Defendant, Residential Care, Inc. ("Defendant"), on September 27, 2000. The Commission's Complaint alleges that Defendant violated Section 703(a) of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. Section 2000e-2(a) ("Title VII"), by terminating Karen Walker Edmunds because of her pregnancy.

Defendant filed an Answer to the Complaint on December 20, 2000 in which it denied violating Title VII.

The Commission and the Defendant desire to resolve this action and all issues raised by the Commission's Complaint without the time and expense of contested litigation, and to formulate a plan to be embodied in a Decree that will promote and effectuate the purposes of Title VII.

For the purposes of resolving this action, Defendant admits that this Court has jurisdiction over the claims alleged in this action, and that all statutory and jurisdictional prerequisites to suit have been satisfied.

The parties do hereby stipulate and consent to the entry of this Decree as final and binding between the parties signatory hereto.

This Decree, reached with the mutual consent of the parties, shall not constitute an adjudication on the merits of the case and shall in no manner be construed as an admission by Defendant of any discriminatory or unlawful practice or of any wrongdoing, fault or liability. This Decree also shall not be construed as a waiver by the Commission of any contentions of discrimination.

The parties have agreed that this Decree may be entered without Findings of Fact and Conclusions of Law having been made and entered by the Court.

The Court has examined this Decree and finds that it is reasonable and just, and in accordance with the Federal Rules of Civil Procedure and Title VII. Therefore, upon due consideration of the record herein, and being fully advised in the premises, it is **ORDERED, ADJUDGED, and DECREED:**

1. This Decree resolves all issues and claims arising under Title VII alleged in the Complaint; and this Decree resolves all claims for back pay, compensatory and punitive damages, interest, injunctive relief, attorney's fees, and any other form of relief sought, or that could have been sought, by any of the parties.

INJUNCTION AGAINST PREGNANCY DISCRIMINATION

2. Defendant, its officers, agents, employees, and all persons acting in its behalf and interest shall be, and hereby are, enjoined and restrained from engaging in any employment practice which discriminates on the basis of pregnancy in violation of Title VII, and shall maintain a workplace free from pregnancy discrimination as defined under Title VII.

INJUNCTION AGAINST RETALIATION

3. Defendant, its officers, agents, employees, and all persons acting in its behalf and interest shall be, and hereby are, enjoined and restrained from engaging in any employment act or practice that constitutes retaliation in violation of section 704(a) of Title VII. Particular reference is made to those provisions of section 704(a) that make it unlawful for Defendant to retaliate as defined under Title VII against any person because that person opposed any practice that is unlawful under Title VII or because that person filed a charge alleging discrimination, gave testimony, assisted or participated in any investigation, proceeding, or hearing under Title VII.

POSTING OF NOTICE

4. a. Upon entry of this Decree, Defendant will post immediately in and about its facilities located in Maryland, where notices to employees are customarily posted, the Notice attached hereto as Exhibit "A" and made a part hereof, which shall be signed by a responsible official of Defendant with the date of actual posting shown thereon.

b. The Notice shall be posted at all of Defendant's Maryland facilities and maintained for a period of at least two years from the date of posting. Within thirty (30) days

of approval of this Decree, Defendant shall forward to the Commission's attorney of record, at the EEOC's Baltimore District Office, a copy of the signed Notice attached hereto as Exhibit "A," written certification that the Notice referenced herein has been posted, and a statement of the locations and dates of posting. Should any of the Notices become defaced, marred, or otherwise made unreadable, Defendant will ensure that new readable copies are posted in the same manner as heretofore specified.

ANTI-DISCRIMINATION POLICY

5. No later than 30 days after the approval of this Consent Decree by the Court, Defendant will incorporate the attached anti-discrimination policy, the particulars of which are attached as Exhibit "B" and made a part hereof, in its employee handbook and shall ensure that all current and new employees are given a copy of the handbook with such anti-discrimination policy. Defendant shall forward, to the Commission's attorney of record at the EEOC's Baltimore District Office, written certification that such a copy of the handbook with such anti-discrimination policy has been distributed to all persons employed by Defendant on the date of entry of this Decree, and that it has created procedures to ensure that it will be distributed to all new employees hired within one year after entry of this Decree.

TRAINING

6. Defendant will train its management workforce concerning pregnancy discrimination and other laws enforced by the Commission. The trainer's credentials and an outline of the training shall be forwarded to the EEOC's attorney of record prior to such training being conducted. Training shall be completed within one hundred twenty (120) days

after the execution of this decree. A record shall be kept identifying all those attending the training. Within twenty (20) days after the training has been completed, Defendant will forward a copy of the attendance roster to the EEOC's attorney of record.

INDIVIDUAL NON-MONETARY RELIEF

7. RCI agrees that, except as required by law, regulation or otherwise, if it receives a request for information about Karen Walker Edmunds from a prospective employer directed to its Department of Human Resources, it will not disseminate or communicate the fact that Karen Walker Edmunds filed a charge of discrimination or any information related to the litigation that ensued thereafter. Furthermore, Defendant agrees that it will provide a neutral reference for Ms. Walker Edmunds in response to any inquiries by prospective employers.

INDIVIDUAL MONETARY RELIEF

8. a. Defendant, agrees to pay to Karen Walker Edmunds the sum of \$20,500.00, of which \$10,000 represents compensation for back pay subject to standard withholding for taxes and other deductions. Within five (5) days after being advised by the EEOC of the filing of this Consent Decree, Defendant shall make payment in the form of a certified, cashier's check to Karen Walker Edmunds.

b. Payment shall be mailed, first-class certified, to Karen Walker Edmunds, in care of her personal attorney. The mailing date shall be deemed the date of payment. Simultaneously, a copy of the check shall be mailed to the Commission's attorney of record at the EEOC's Baltimore District Office.

ENSURING COMPLIANCE WITH THIS DECREE

DELETED
PURSUANT TO
TELEPHONE HEARINGS
ON 4/27/01 (BFL)

~~9. Alleged violations of this Decree, including specifically alleged violations of the injunctive provisions against pregnancy discrimination and retaliation issued in paragraphs 2 and 3 above, may be brought before this Court by either party upon an application for a contempt citation without otherwise separately satisfying the administrative prerequisites to suit of Title VII, provided only that such application is accompanied by certification that a good faith effort was made to resolve the dispute between the parties.~~

10. Within 180 days following the entry of this Decree, and again at the conclusion of this Decree, Defendant shall report to the EEOC the number of workplace sex discrimination, pregnancy or retaliation claims brought against it during the applicable period, and briefly describe the nature of each claim, the manner in which it was handled, and the resolution of the claim, if any. Defendant shall not be required to identify the person making such a claim; provided that, the EEOC shall retain the right to request reasonably additional relevant information regarding any such claim and Defendant, if agreeable, will provide in good faith the requested information within a reasonable amount of time, not to exceed thirty (30) days. If the parties are in dispute as to the reasonableness of a request for information, and cannot in good faith resolve such dispute on their own, any party may petition the Court under this Decree for redress.

SCOPE AND DURATION OF DECREE

11. Except where otherwise provided, this Decree shall remain in effect for a period of two (2) years from the date of the Court's entry of this Consent Decree.

12. The Court retains jurisdiction of this action to ensure compliance with this Decree. In all other respects, this action is dismissed with prejudice and the Clerk of the Court is directed to remove this action from the Court's calendar.

MISCELLANEOUS PROVISIONS

13. The Commission and Defendant shall bear their own costs and attorneys' fees.

14. The parties agree that the date of execution of the Decree shall be the date upon which the last party signs the Decree.

15. This Decree (and the attachments hereto) constitutes the complete understanding between the parties. No other promises or agreements shall be binding unless agreed to in writing and signed by these parties. No waiver, modification or amendment of any provision of this Decree shall be effective unless made in writing, approved by all parties to this Decree and approved by the Court or ordered by the Court.

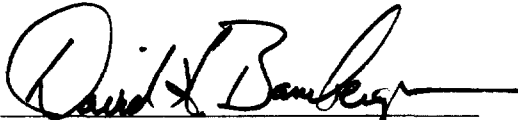
16. The EEOC agrees that, if it publicizes the existence or terms of this Consent Decree, any such publicity shall include reference to the fact that the Defendant has not admitted any wrongdoing, fault or liability. Further, if the EEOC issues any press release in regard to this matter, Defendant will be provided with all of the addresses to which the EEOC is sending the press release to enable Defendant to issue its own press release if it so chooses.

17. The execution of this Consent Decree and the Defendant's implementation thereof shall not be used as evidence in any EEOC enforcement action regarding complaints of discrimination filed by other claimants.

18. Defendant agrees to designate David H. Bamberger, Esquire, whose address and telephone number are listed below, as its representative for the purpose of the administration of this Decree. The EEOC agrees that Mildred A. Rivera, Esquire, is its attorney of record and designates him/her, whose address and telephone number are listed below, as its representative for the purpose of the administration of this Decree.

The undersigned counsel of record, on behalf of their respective clients, hereby consent to the entry of the foregoing Consent Decree.

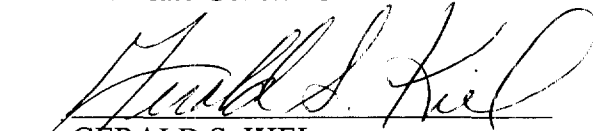
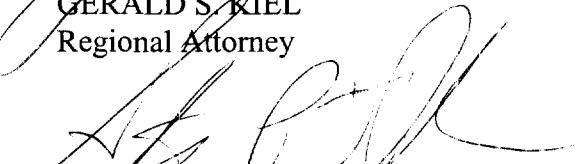

FOR DEFENDANT:



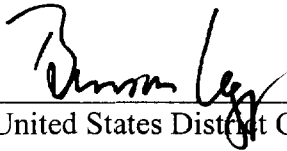
DAVID H. BAMBERGER, ESQ.
Piper, Marbury, Rudnick & Wolfe, LLP
1200 Nineteenth Street, N.W.
Washington, D.C. 20036
(202) 861-3995

FOR PLAINTIFF:

GWENDOLYN YOUNG REAMS
Associate General Counsel


GERALD S. KIEL
Regional Attorney
STEPHEN P. O'ROURKE
Supervisory Trial Attorney
MILDRED A. RIVERA
Trial Attorney
10 S. Howard St., 3rd Floor
Baltimore, Maryland 21201
(410) 962-4180

Approved and entered by the Court this 27th day of
April, 2001.



United States District Court Judge

NOTICE TO EMPLOYEES

1. Discrimination on the basis of pregnancy is a violation of the law.
2. It is unlawful for an employer:
 - (1) to fail or refuse to promote, hire or to discharge any individual, or otherwise to discriminate against any individual with respect to his or her compensation, terms, conditions, or privileges of employment, because of such individual's race, color, religion, sex, or national origin or filing of a charge of discrimination.
 - (2) to limit, segregate, or classify his or her employees or applicants for employment in any way which would deprive or tend to deprive any person of employment opportunities or otherwise adversely affect his/her status as an employee, because of such person's race, color, religion, sex, or national origin.
3. Residential Care, Inc. WILL NOT engage in any of the above unlawful acts or practices. Residential Care, Inc. strictly prohibits and WILL NOT tolerate its managers, supervisors or employees discriminating against any employee, or applicant for employment, because of her pregnancy.
4. It is unlawful for an employer: to retaliate in any manner against any employee because that person opposes any practice that is unlawful under Title VII of the Civil Rights Act of 1964 or because that person:
 - (1) files a charge of discrimination or harassment,
 - (2) gives testimony, assists or participates in any investigation, proceeding, or hearing under Title VII of the Civil Rights Act of 1964.
5. Residential Care, Inc. WILL NOT retaliate in any manner against any employee and WILL NOT engage in any of the above unlawful acts or practices. Residential Care, Inc. WILL NOT retaliate against any employee because they in any way participated in, assisted with, or benefited from any investigation or lawsuit brought against Residential Care, Inc. by the Equal Employment Opportunity Commission.
6. Any employee who feels or believes that he or she is, or has been, the victim of discrimination, harassment or retaliation is encouraged to report that harassment immediately. Employees can report their concerns to their immediate supervisor, or, should they so desire, they can report directly to the EEOC.
7. Residential Care, Inc. will conduct a prompt and thorough investigation of all claims of discrimination. All complaints and any information developed during the course of the investigation of these complaints will be kept confidential to the extent reasonably possible. If an employee is found to have engaged in discrimination, that employee will be subject to disciplinary measures appropriate to the offense up to and including discharge.
8. Employees who have questions about their rights may visit the EEOC website at www.EEOC.gov.

Residential Care, Inc. Representative

Date Signed:

Date Posted:

Exhibit A

Equal Employment Opportunity And Non-Harassment Policy

Residential Care, Inc. ("RCI") is committed to a policy of equal employment opportunity and a work environment free of harassment. All employees, regardless of position or title, will be subject to severe discipline, up to and including discharge, should RCI determine that an employee is engaged in the discrimination or harassment of another individual or has otherwise failed to comply fully with this Policy.

RCI Will Not Tolerate Discrimination

It is RCI's policy to recruit, hire, compensate, train, promote, transfer, discharge and administer any and all personnel actions without regard to race, color, religion, creed, age, sex, pregnancy, national origin, ancestry, disability, or any other legally protected basis. RCI will not tolerate any unlawful discrimination, and any such conduct is expressly prohibited. RCI will not condone or tolerate the discrimination or harassment of its employees, or applicants for employment, by other employees, supervisors, customers, vendors, suppliers, third parties or any individual under RCI's control.

RCI Will Not Tolerate Any Form Of Harassment

RCI also prohibits any harassment based on any of the legally protected attributes mentioned above, including racial or sexual harassment. For example, the Company will not tolerate epithets, slurs, jokes, negative stereotyping, threats or intimidation or any similar verbal or physical conduct that denigrates or shows hostility or aversion towards an individual because of his/her race, color, religion, creed, age, sex, pregnancy, national origin, ancestry, disability, or any other legally protected basis. Harassing conduct also includes display or circulation (including through e-mail) in the workplace of written or graphic material that denigrates or shows hostility or aversion toward an individual or group.

RCI Will Not Tolerate Sexual Harassment

Sexual harassment is also prohibited. Sexual harassment includes any unwelcome or unwanted conduct of a sexual nature (verbal or physical) when: (1) submission to such conduct is made a term or condition of a person's employment, either explicitly or implicitly; (2) submission to or rejection of this conduct by an individual is used as a factor in decisions affecting hiring, evaluation, promotion or other aspects of employment; or (3) this conduct has the purpose or effect of substantially interfering with an individual's employment or creates an intimidating, hostile or offensive work environment.

It is impermissible for males to sexually harass females or males and for females to sexually harass males or females. Sexual harassment is inappropriate and contrary to RCI's policies whether it involves co-worker harassment, harassment by a supervisor or

manager, or harassment by persons doing business with or for RCI (vendors, suppliers, customers, etc.).

Examples of unacceptable conduct include, but are not limited to:

- threats or promises of benefits in exchange for sexual favors or implying that things will go smoothly in exchange for sexual favors;
- unwanted sexual jokes, flirtations, or propositions or obscene comments or gestures;
- unwanted sexual advances, such as making a “pass” at another employee or offering to give an employee a massage or making or threatening reprisals after a negative response to sexual advances;
- negative stereotyping based upon one’s gender;
- graphic or verbal commentary or abuse about an individual’s body, dress, sexual prowess, sexual deficiencies or of any sexual nature or the use of sexually degrading words to describe an individual or suggestive or abusive letters, notes, messages, or invitations;
- unwanted or suggestive leering, whistling, pinching or insulting;
- unwanted or suggestive touching, assault, or impeding or blocking movements; or
- the display or circulation in the workplace of sexually suggestive words, jokes, objects, posters, cartoons or pictures (including through e-mail), including nude or sexually suggestive photographs.

These types of behavior are unacceptable at RCI’s offices, in other work settings, such as business trips, and at business-related social events. All RCI employees, and particularly managers, have a responsibility for keeping the environment free of harassment.

Reporting Discrimination Or Harassment And Investigations

RCI must be made aware of discrimination and harassment before it can act to prevent or stop it. RCI cannot take corrective action unless it has knowledge that a problem exists. Any incident or situation that you believe involves prohibited discrimination or harassment, sexual or otherwise, by any employee or individual under RCI’s control, should be reported immediately.

Ordinarily, a report of discrimination or harassment should be made in person or in writing to Human Resources at the following address and telephone number:

Director of Human Resources
Suite 3800
250 South President Street
Baltimore, Maryland 21202
410-223-1088

If you conclude or otherwise feel that reporting to Human Resources is not appropriate or comfortable, you may report it to your supervisor, your supervisor's supervisor, or any other member of management. It is completely within an employee's discretion as to whom to approach with any concern or complaint of discrimination or harassment. It is also recommended, but not required, that an employee firmly and promptly notify the offender that his or her behavior is unwelcome. Any supervisor who becomes aware of any possible discrimination or harassment should immediately advise Human Resources, regardless of whether the complaining employee wants the supervisor to do so.

If an employee makes the Company aware of a complaint of discrimination or harassment, RCI is obligated by law to investigate and, if appropriate, take prompt remedial action. For this reason, if a complaint of discrimination or harassment is brought to the Company's attention, RCI will investigate, regardless of whether the complaining employee wants the Company to do so. RCI will promptly and thoroughly investigate the facts and circumstances of any claim of discrimination or harassment and will do its best to maintain the confidentiality of the complaint and complaining employee to the extent practical and appropriate under the circumstances.

Employees at any level who engage in harassment or discrimination will be subject to severe disciplinary action, up to and including discharge. Any manager or supervisor who knows about the harassment and/or discrimination and takes no action to stop it may be disciplined as well. Remedial action may include, but is not limited to, discharge, suspension, or transfer of the offending employee. Remedial action may also include counseling, changes in work assignments, or other measures designed to prevent future misconduct. What is appropriate in each case will vary, and such decisions will be made at the sole discretion of RCI.

No Retaliation For Complaining Of Discrimination Or Harassment

No individual will be subject to, and it is RCI's policy to strictly prohibit, any form of discipline or retaliation for reporting any incident or situation of discrimination or harassment, pursuing any claim of discrimination or harassment, or otherwise participating or cooperating in any investigation of a complaint of discrimination or harassment. Retaliation is a serious violation of this policy, and any retaliation also should be reported immediately. Any person found to have retaliated against another individual for reporting discrimination or harassment or otherwise participating in an

investigation will be subject to disciplinary action, up to and including termination. Under no circumstances will an employee's job status, security, working conditions, or relationship with RCI be adversely affected because a good faith report is made or appealed to a higher level of management. Any individual who intentionally makes a false claim of discrimination or harassment is subject to discipline, up to and including termination.

Questions

If you have any questions about this policy, or its application to any situation, please contact Human Resources.

ALL EMPLOYEES MUST READ AND UNDERSTAND THIS POLICY.