

1 Anna Y. Park, SBN 164242  
2 Dana C. Johnson, SBN 187341  
3 Sue J. Noh, SBN 192134  
4 EQUAL EMPLOYMENT  
5 OPPORTUNITY COMMISSION  
6 255 East Temple Street, 4th Floor  
7 Los Angeles, CA 90012  
8 Telephone: (213) 894-1082  
9 Facsimile: (213) 894-1301  
10 E-mail: lado.legal@eeoc.gov

11 Attorneys for Plaintiff  
12 EQUAL EMPLOYMENT  
13 OPPORTUNITY COMMISSION

14 Thomas G. Mackey, SBN 174512  
15 Nikki L. Wilson, SBN 218744  
16 JACKSON LEWIS LLP  
17 725 South Figueroa Street, Suite 2500  
18 Los Angeles, CA 90017  
19 Telephone: (213) 689-0404  
20 Facsimile: (213) 689-0430  
21 E-mail:

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CENTRAL DISTRICT OF CALIFORNIA  
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BY

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

EQUAL EMPLOYMENT  
OPPORTUNITY COMMISSION,

Plaintiff,

vs.

ROYALWOOD CARE CENTER  
LLC, SKILLED HEALTHCARE,  
LLC, AND DOES 1-10 Inclusive,

Defendants.

CASE NO. CV05-2407 RGK (CTx)

[PROPOSED] CONSENT DECREE

I. INTRODUCTION

Plaintiff U.S. Equal Employment Opportunity Commission ("EEOC") and Defendants Royalwood Care Center, LLC; Skilled Healthcare, LLC; and Summit Care-California (hereafter "Defendants") hereby stipulate and agree to entry of this Consent Decree to resolve the Second Amended Complaint, filed under Title

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LOS ANGELES

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1 VII of the Civil Rights Act of 1964, as amended, ("Title VII"), the Pregnancy  
2 Discrimination Act of 1978 ("PDA") and Title I of the Civil Rights Act of 1991.  
3 The EEOC's Second Amended Complaint alleged that Defendants unlawfully  
4 terminated Charging Party Elvira Mendoza ("Charging Party" or "Mendoza") on  
5 the basis of her pregnancy. Mendoza is no longer employed at the Royalwood  
6 Care Center facility.

7 II. PURPOSES AND SCOPE OF THE CONSENT DECREE

8 The parties to this Consent Decree ("Decree") are the EEOC and  
9 Defendants. This Decree shall be binding on and enforceable against Royalwood  
10 Care Center, LLC and its officers, directors, employees, agents, successors and  
11 assigns.

12 The parties have entered into this Decree for the following purposes:

- 13 1. To provide injunctive relief to prevent pregnancy  
14 discrimination;
- 15 2. To ensure that Royalwood Care Center, LLC's employment  
16 policies and practices are in compliance with federal law;
- 17 3. To ensure training for Royalwood Care Center, LLC's  
18 managers and employees with respect to their obligations under the Title VII and  
19 the PDA;
- 20 4. To ensure that Royalwood Care Center, LLC's employees are  
21 not subjected to retaliation; and
- 22 5. To avoid the time, expense, and uncertainty of further  
23 litigation.

24 III. RELEASE OF CLAIMS

25 This Decree fully and completely resolves all issues, claims and allegations  
26 by the EEOC against Defendants that are raised in the Second Amended  
27 Complaint filed in this action in the United States District Court, Central District  
28 of California on April 1, 2005 captioned U.S. Equal Employment Opportunity

Case No. CV 05-2407 RGK (CTx)

1 Commission v. Royalwood Care Center, LLC, Skilled Healthcare, LLC, et al;  
2 Case No. CV 05-2407 RGK (CTx) (“FAC”).

3 Nothing in this Decree shall be construed to preclude any party from  
4 bringing suit to enforce this Decree in the event that any party hereto fails to  
5 perform the promises and representations contained herein.

6 Nothing in this Decree shall be construed to limit or reduce Defendants’  
7 obligation to comply fully with Title VII, the PDA, or any other federal anti-  
8 discrimination law.

9 This Decree in no way affects the EEOC’s right to bring, process,  
10 investigate or litigate other charges that may be in existence or may later arise  
11 against Defendants in accordance with standard EEOC procedures.

12 IV. JURISDICTION

13 The Court has jurisdiction over the parties and the subject matter of this  
14 lawsuit. The EEOC asserts claims that, if proven, would authorize the Court to  
15 grant the relief set forth in this Decree.

16 The terms and provisions of this Decree are fair, reasonable and just and  
17 conforms with the Federal Rules of Civil Procedure, Title VII, and the PDA and  
18 are not in derogation of the rights or privileges of any person.

19 The Court shall retain jurisdiction of this action during the duration of the  
20 Decree for the purposes of entering all orders, judgments and decrees that may be  
21 necessary to implement the relief provided herein.

22 V. EFFECTIVE DATE AND DURATION OF DECREE

23 The provisions and agreements contained herein are effective immediately  
24 upon the date which this Decree is entered by the Court (“the Effective Date”).

25 Except as otherwise provided herein, this Decree shall remain in effect for  
26 eighteen (18) months after the Effective Date.

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1 VI. INJUNCTIVE RELIEF

2 A. Non-Discrimination

3 Royalwood Care Center, LLC, its officers, agents, employees, successors,  
4 assigns and all persons in active concert or participation with them are enjoined  
5 for the duration of the Decree from discriminating against any individual because  
6 of gender or pregnancy.

7 B. Retaliation

8 Royalwood Care Center, LLC, its officers, agents, employee, successors,  
9 assigns, ~~and all those in active concert or participation with them~~, hereby agree not  
10 to retaliate against any of Royalwood Care Center, LLC's current or former  
11 employees because he or she has in the past, or during the term of this Decree: (a)  
12 opposed any practice made unlawful under Title VII and/or the PDA; (b) filed a  
13 charge of discrimination alleging such practice; (c) testified or participated in any  
14 manner in any investigation (including without limitation, any internal  
15 investigation undertaken by Royalwood Care Center, LLC), proceeding in  
16 connection with this case and/or relating to any claim of pregnancy discrimination;  
17 (d) was identified as a possible witness or claimant in this action; (e) asserted any  
18 rights under this Decree; or (f) sought and/or received any relief in accordance  
19 with this Decree.

20 C. Policies Concerning Pregnancy Discrimination

21 Royalwood Care Center, LLC shall adopt policies and procedures on  
22 pregnancy discrimination including at a minimum:

23 1. The assurance that no employee will be subjected to pregnancy  
24 discrimination or retaliation;

25 2. A clear explanation of pregnancy discrimination and the rights of  
26 pregnant women with concrete examples;

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1           3       Assurances that employees who make complaints or inquiries  
2 regarding pregnancy discrimination or provide information related to such  
3 complaints will be protected from retaliation;

4           4       A clear description of the process for making complaints or inquiries  
5 regarding pregnancy discrimination;

6           5.       Confidential and accessible avenues for employees to make  
7 pregnancy discrimination complaints and other inquiries regarding pregnancy  
8 discrimination including;

9           6.       Assurances that Royalwood Care Center, LLC will keep  
10 discrimination complaints and inquiries confidential to the extent possible;

11           7.       Assurances that persons who make complaints and/or inquiries  
12 regarding pregnancy discrimination and who engaged in allegedly discriminatory  
13 conduct will be monitored to ensure that each person is provided with equal  
14 employment opportunities and not subjected to retaliation; and

15           8.       A written procedure for tracking complaints and/or inquiries  
16 regarding pregnancy discrimination and retaliation and for monitoring any person  
17 making the complaint or inquiry and anyone reported to have engaged in allegedly  
18 discriminatory conduct to ensure equal employment opportunities and protect  
19 against retaliation.

20           Royalwood Care Center, LLC shall provide a copy of its revised policy to  
21 the EEOC within thirty (30) days after the Effective Date. The EEOC shall have  
22 thirty (30) days to suggest changes to the revised policy. Royalwood Care Center,  
23 LLC may implement none, any or all of the EEOC's suggested changes, at its  
24 discretion. The policy with any changes proposed by the EEOC which  
25 Royalwood Care Center, LLC decides to implement shall be distributed to all of  
26 Royalwood Care Center, LLC's employees and to the EEOC within sixty (60)  
27 days after the EEOC notifies Defendants of any suggested changes. Any  
28 suggested changes, or the absence of suggested changes, does not constitute a

1 ratification on the EEOC's part of Royalwood Care Center, LLC's policies or  
2 procedures.

3 The policy shall be distributed to all of Royalwood Care Center, LLC's  
4 employees in a language they can read and understand. Throughout the term of  
5 this Decree, Royalwood Care Center, LLC shall also post the policy, in English  
6 and Spanish, in a place that is conspicuous and accessible to all employees.

7 **D. Training**

8 Within six (6) months after the Effective Date, Royalwood Care Center,  
9 LLC shall provide training to all of its managerial/supervisory employees  
10 regarding their rights and responsibilities under Title VII, and the PDA. The  
11 training of managerial/supervisory employees shall additionally include training  
12 on how to recognize and prevent pregnancy discrimination and/or retaliation.  
13 Each managerial/supervisory employee shall be required to attend a training  
14 program of at least two (2) hours on employment discrimination issues generally,  
15 of which at least forty-five (45) minutes shall specifically be devoted to the issues  
16 of PDA and parental leave. The training shall be mandatory and occur annually  
17 for the term of this Decree. Any managerial/supervisory employee who fails to  
18 attend the training shall be trained within (30) days of the live training set forth  
19 above. All newly hired managerial/ supervisory employees and all employees  
20 promoted from a staff/hourly to a managerial/supervisory position shall receive  
21 this training within thirty (30) days of hire or promotion.

22 Within ten (10) days after training for Royalwood Care Center, LLC's  
23 managers/supervisors employees, all of Royalwood Care Center, LLC's other  
24 employees shall be given at least one live training on their rights and  
25 responsibilities pertaining to the provisions of Title VII and the PDA. The  
26 training shall occur annually during the term of the Decree. Newly hired  
27 employees or others who miss this training shall be trained within ten (10) days of  
28 hire or return to work.

1 All employees required to attend such training shall verify their  
2 annual attendance in writing. Royalwood Care Center, LLC shall explain in its  
3 reports to the EEOC under Section VII(B) the reasons why any employee did not  
4 receive training according to the above guidelines and time frames.

5 Within one hundred and twenty (120) days after the Effective Date,  
6 Defendants shall submit to the EEOC a description of the training to be provided  
7 and an outline of the curriculum developed for the trainees.

8 Defendants shall give the EEOC a minimum of ten (10) business days'  
9 advance written notice of the date, time and location of each training program  
10 provided pursuant to this Decree, and agree that an EEOC representative may  
11 attend the training program. Where practicable, the EEOC shall inform  
12 Defendants prior to attending the training.

## 13 VII. RECORD KEEPING AND REPORTING

### 14 A. Record Keeping

15 For the duration of the Decree, Royalwood Care Center, LLC agrees to  
16 maintain such records as are necessary to demonstrate its compliance with this  
17 Decree, including but not limited to the documents specifically identified below,  
18 and to verify that the reports submitted are accurate.

### 19 B. Reporting

20 Within one hundred twenty (120) days of the Effective Date of this Decree  
21 and every twelve (12) months from the Effective Date thereafter for the Decree  
22 term, Defendants shall provide the EEOC with the following, except as otherwise  
23 stated in item seven (7) below:

24 1. Policies and procedures against pregnancy discrimination and  
25 retaliation;

26 2. Proposed training programs for all of its employees on pregnancy  
27 discrimination and retaliation;

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1           3. Documents verifying the occurrence of all training sessions (if a  
2 training has occurred within the last reporting period);

3           4. A list of the names and positions of all attendees for each session as  
4 required under this Decree (if a training has occurred within the last reporting  
5 period);

6           5. A list of employees employed at the time of the training (if a training  
7 has occurred within the last reporting period);

8           6. An explanation regarding the failure to train any employees as  
9 required under this Decree (if a training has occurred within the last reporting  
10 period);

11           7. For the first report, the written procedure for tracking complaints  
12 and/or inquiries regarding pregnancy discrimination and retaliation and for  
13 monitoring the person making the complaint or inquiry and anyone reported to  
14 have engaged in allegedly discriminatory conduct to ensure equal employment  
15 opportunities and protect against retaliation. Any proposed change in the  
16 procedures or record-keeping methods for centralized tracking of complaints and  
17 monitoring of such complaints shall be provided simultaneously to the EEOC  
18 within thirty (30) days before implementing such change. The EEOC may, within  
19 thirty (30) days before implementation, make suggested changes, which  
20 Royalwood Care Center, LLC may adopt or decline to adopt at its discretion.  
21 Royalwood Care Center, LLC shall provide the EEOC with the implemented  
22 version of the procedures or record-keeping methods for centralized tracking of  
23 complaints and monitoring of such complaints within ten (10) days of  
24 implementation;

25           8. All complaints of pregnancy discrimination and/or retaliation tracked  
26 by date, the identity of the person who handled the complaint, and resolution of  
27 the complaint; and

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1 9. All documents generated in connection with any complaint and/or  
2 inquiry, investigation into, or resolution of every complaint and/or inquiry of  
3 pregnancy discrimination or retaliation for the duration of the Decree and the  
4 identities of the parties involved.

5 VIII. MONETARY SETTLEMENT

6 Royalwood Care Center, LLC shall pay a total of \$20,000.00 to Elvira  
7 Mendoza. This monetary settlements is for personal injuries sustained as a result  
8 of the conduct complained-of in the Complaint. Accordingly, no withholdings  
9 shall be made from any of the above payment. Within ten (10) court days of the  
10 earlier of (a) Royalwood Care Center, LLC's counsel's receipt of the Court's  
11 executed Decree or (b) Royalwood Care Center, LLC's counsel's receipt of notice  
12 from the EEOC that the Court has signed the Decree, Royalwood Care Center,  
13 LLC shall issue a check for the settlement amount and a 1099 form to Ms.  
14 Mendoza at an address which the EEOC shall provide to Royalwood Care Center,  
15 LLC upon entry of the Decree. Royalwood Care Center, LLC shall  
16 simultaneously submit a copy of the check and related correspondence to the  
17 Regional Attorney, United States Equal Employment Opportunity Commission,  
18 255 East Temple Street, 4th Floor, Los Angeles, CA 90012. Mendoza bears sole  
19 responsibility for all income tax that may be applicable to the monetary settlement  
20 amount.

21 IX. MODIFICATION AND SEVERABILITY

22 This Decree constitutes the complete understanding of the parties with  
23 respect to the matters contained herein. No waiver, modification or amendment of  
24 any provision of this Decree will be effective unless made in writing and signed by  
25 an authorized representative of each of the parties.

26 If one or more provisions of the Decree are rendered unlawful or  
27 unenforceable, the parties shall make good faith efforts to agree upon appropriate  
28 amendments to this Decree in order to effectuate the purposes of the Decree. In

1 any event, the remaining provisions will remain in full force and effect unless the  
2 purposes of the Decree cannot, despite the parties' best efforts, be achieved.

3 By mutual agreement of the parties, this Decree may be amended or  
4 modified in the interests of justice and fairness in order to effectuate the  
5 provisions of this Decree.

6 X. COMPLIANCE AND DISPUTE RESOLUTION

7 The parties expressly agree that if the EEOC has reason to believe that  
8 Defendants have failed to comply with any provision of this Consent Decree, the  
9 EEOC may bring an action before this Court to enforce the Decree. Prior to  
10 initiating such action, the EEOC will notify Defendants and their legal counsel of  
11 record, in writing, of the nature of the dispute. This notice shall specify the  
12 particular provision(s) that the EEOC believes Defendants have breached. Absent  
13 a showing by either party that the delay will cause irreparable harm, Defendants  
14 shall have forty five (45) days to attempt to resolve or cure the breach, however  
15 the parties can agree to extend this period upon mutual consent.

16 The parties agree to cooperate with each other and use their best efforts to  
17 resolve any dispute referenced in the EEOC notice.

18 After forty five (45) days have passed since the EEOC notifies Defendants  
19 and their legal counsel of the nature of the dispute and no resolution or agreement  
20 to extend the resolution period, the EEOC may petition this Court for resolution of  
21 the dispute, seeking all available relief, including an extension of the term of the  
22 Decree for such period of time as Defendants are shown to be in breach of the  
23 Decree and the EEOC's costs and attorneys' fees incurred in securing compliance  
24 with the Decree.

25 XI. COSTS OF ADMINISTRATION AND IMPLEMENTATION OF  
26 CONSENT DECREE

27 Defendants shall bear all costs associated with its administration and  
28 implementation of its obligations under this Consent Decree.

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1 XII. COSTS AND ATTORNEYS' FEES

2 Each party shall bear its own costs of suit and attorneys' fees.

3 XIII. MISCELLANEOUS PROVISIONS

4 During the term of this Consent Decree, Defendants shall provide any  
5 potential successor-in-interest with a copy of this Consent Decree within a  
6 reasonable time of not less than thirty (30) days prior to the execution of any  
7 agreement for acquisition or assumption of control of any or all of Defendants'  
8 facilities, or any other material change in corporate and/or management structure,  
9 and shall simultaneously inform the EEOC of same.

10 During the term of this Consent Decree, Defendants and their successors  
11 shall assure that each of its officers, managers and supervisors is aware of any  
12 term(s) of this Decree which may be related to his/her job duties.

13 Unless otherwise stated, all notices, reports and correspondence required  
14 under this Decree shall be delivered to the attention of the Regional Attorney  
15 Anna Y. Park, U.S. Equal Employment Opportunity Commission, Los Angeles  
16 District Office, 255 E. Temple St., 4<sup>th</sup> Fl., Los Angeles, CA. 90012.

17 The parties agree to entry of this Decree and judgment subject to final  
18 approval by the Court.

19 XIII. SIGNATURES

20 By their signatures below, the Regional Attorney for the EEOC and the  
21 respective officers and attorneys of Defendants represent that they have full and  
22 complete authority to bind the Parties, their successors and assigns to the terms of  
23 this Decree.

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1 XIV. COUNTERPARTS AND FACSIMILE SIGNATURES


2 This Decree may be signed in counterparts. A facsimile signature shall have  
3 the same force and effect of an original signature or copy thereof.

4  
5   
6 [PROPOSED] ORDER

6 GOOD CAUSE APPEARING:


7 IT IS SO ORDERED.

8 Date: NOV - 3 2006

9   
10 The Honorable R. Gary Klausner  
United States District Court Judge

11 Respectfully submitted,  
12 EQUAL EMPLOYMENT  
13 OPPORTUNITY COMMISSION

14 Date: 10/30/, 2006

15 By:   
16 Anna Y. Park, Regional  
Attorney

17 Attorneys for Plaintiff EEOC

18 Royalwood Care Center, LLC;  
19 Skilled Healthcare, LLC; Summit  
20 Care - California, Inc.

21 Date: \_\_\_\_\_, 2006

22 By: \_\_\_\_\_

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5 [PROPOSED] ORDER

6 GOOD CAUSE APPEARING:

7 IT IS SO ORDERED.

8

9 Date: \_\_\_\_\_

The Honorable R. Gary Klausner  
United States District Court Judge

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Respectfully submitted,

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EQUAL EMPLOYMENT  
OPPORTUNITY COMMISSION

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15 Date: \_\_\_\_\_, 2006

By: \_\_\_\_\_  
Anna Y. Park, Regional  
Attorney

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Attorneys for Plaintiff EEOC

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Royalwood Care Center, LLC;  
Skilled Healthcare, LLC; Summit  
Care – California, Inc.

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22 Date: 10-25, 2006

By: 

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