

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

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**EQUAL EMPLOYMENT OPPORTUNITY
COMMISSION,** :

Plaintiff, : **05-CV-8342 (SCR)(MDF)**

v. :

**RICHMOND OF NEW YORK (d/b/a
RICHMOND CHILDREN'S CENTER)** :

Defendant. :

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CONSENT DECREE

The parties to this Consent Decree are the Equal Employment Opportunity Commission (EEOC) and Richmond Children's Center, Inc. d/b/a/ Richmond of New York (named in the Complaint as Richmond of New York d/b/a/ Richmond Children's Center)(hereinafter "Richmond").

EEOC brought this action on or about September 28, 2005 pursuant to Title VII of the Civil Rights Act of 1964, as amended (Title VII). In its Complaint, EEOC alleged that Richmond discriminated against four Charging Parties because of their race, African-American, and retaliated against them when they objected to the discriminatory treatment. Specifically, EEOC alleged that Richmond delayed promoting one Charging Party to the position of Unit Director because of her race despite her qualifications and job performance and instead promoted employees with fewer qualifications than her; Richmond disciplined another Charging Party more harshly than non-African American employees and subjected her to disparate discipline resulting in her termination; and Richmond retaliated against three Charging Parties for

complaining about the discriminatory treatment of African Americans. The retaliatory acts include, but are not limited to, reducing work hours, failing to promote, disparately scrutinizing work, and termination.

The parties hereto desire to settle this action, and therefore do hereby stipulate and consent to the entry of this Decree as final and binding between the parties and their successors or assigns. The parties agree that it is in their mutual interest to resolve this matter fully without the costs, uncertainty, expense and delay of litigation.

The Decree resolves all matters related to Civil Action No. 05-CV-8342, now pending in the United States District Court for the Southern District of New York. The parties agree that this Decree may be entered into without Findings of Fact and Conclusions of Law being made and entered by the Court. No waiver, modification or amendment of any provision of this Consent Decree shall be effective unless made in writing, approved by all parties to this Consent Decree and approved or ordered by the Court.

In consideration of the mutual promises of each party to this Decree, the sufficiency of which is hereby acknowledged, it is agreed and IT IS ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:

1. This Decree resolves all of the issues raised by EEOC Charge Numbers 160-2004-02852, 160-2004-02854, 160-2004-02855, 160-2005-00677, and/or the Complaint filed in this case. This Decree in no way affects EEOC's rights to process any future charges that may be filed against Richmond, and to commence civil actions on any such charges.
2. The parties agree that this Court has jurisdiction of the subject matter of this action and of the parties, that venue is proper, and that all administrative prerequisites have been met.

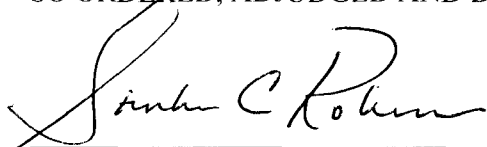
3. No party shall contest the jurisdiction of the federal court to enforce this Decree and its terms or the right of any party to bring an enforcement suit upon breach of any of the terms of this Decree by any other party. Breach of any term of this Decree should be deemed to be a substantive breach of this Decree. Nothing in this Decree shall be construed to preclude EEOC from bringing proceedings to enforce this Decree in the event that Richmond fails to perform any of the promises and representations contained herein.
4. Richmond and its managers, agents, successors, or assigns will not discriminate against any individual because of the individual's race, and shall not retaliate against any individual who engages in protected activity, including participating in this matter in any way.
5. Within ten (10) days of the entry of this Decree, Richmond shall pay the total sum of \$400,000 to the Charging Parties as allocated in Exhibit A, which shall be filed under seal. A copy of each check shall be forwarded to Stella Yamada, Esq., Equal Employment Opportunity Commission, 33 Whitehall Street, 5th Floor, New York, NY 10004, immediately upon issuance of the check.
6. In connection with each check for backpay, Richmond shall issue to each Charging Party an IRS Form W2, and in connection with each check for compensatory damages, Richmond shall issue to the Charging Party an IRS Form 1099; in connection with each check for attorneys' fees, Richmond shall issue to the attorneys an IRS Form 1099.
7. Richmond has increased Charging Party Dorothy Galbreath's hours to no less than twenty per week, to render her eligible for all applicable employment benefits.

8. Within ten (10) days of the date of entry of this Decree, Richmond agrees to post EEOC's poster in all prominent places where employee notices are posted.
9. Within ten (10) days of the date of entry of this Decree, Richmond agrees to post a remedial Notice pursuant to the Consent Decree, attached hereto as Exhibit B, in all prominent places where employee notices are posted.
10. Within thirty (30) days of the date of entry of this Decree, Richmond will provide four (4) hours of training in federal laws prohibiting discrimination in employment for all current employees. The training will be conducted by ICC Consultants, an outside consultant approved by EEOC. The agenda for the training, which has been reviewed and approved by EEOC, is attached hereto as Exhibit C.
11. Within thirty (30) calendar days of each future employee's hire, Richmond shall provide the employee the training referenced in Paragraph 10.
12. Within thirty (30) days of the date of entry of this Decree, Richmond will provide two (2) hours of training in federal laws prohibiting discrimination in employment for all current management/supervisory employees. The training will be conducted by ICC Consultants, an outside consultant approved by EEOC. The agenda for the training, which has been reviewed and approved by EEOC, is attached hereto as Exhibit D.
13. Within 60 (sixty) calendar days of each future management/supervisory employee's hire, Richmond shall provide the employee the training referenced in Paragraph 12.
14. Within seven (7) business days of the completion of each training program, Richmond will forward to EEOC a copy of an attendance sheet for each training program.
15. Richmond agrees to adopt and maintain the anti-discrimination policy and complaint

procedure attached hereto as Exhibit E, which has been reviewed and approved by EEOC.

16. Within ten (10) days of the date of entry of this Decree, Richmond will provide each employee with a copy of Exhibit E.
17. Richmond further agrees to distribute Exhibit E to each employee at the time the employees are trained pursuant to paragraphs 10-13, above.
18. Each party shall bear its own attorney fees and costs incurred in this action.
19. This Decree constitutes the complete understanding among the parties. No other promises or agreement shall be binding unless agreed to in writing and signed by these parties.
20. This Decree will remain in effect for three (3) years from the date of entry.
21. Richmond agrees to make available for inspection and copying any records reasonably related to any of areas identified above, upon notice by EEOC.

SO ORDERED, ADJUDGED AND DECREED this 6th day of ~~August~~ ^{September} 2006.



U.S. DISTRICT JUDGE
STEPHEN C. ROBINSON

APPROVED IN FORM AND CONTENT:

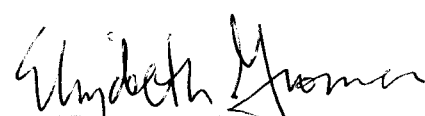
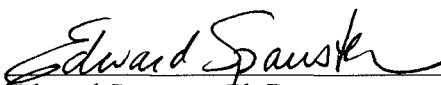
<p>FOR THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION</p>  <hr/> <p>Elizabeth Grossman Regional Attorney</p> <p>Lisa D. Sirkin Supervisory Trial Attorney</p> <p>Stella N. Yamada Senior Trial Attorney</p> <p>33 Whitehall Street, 5th Floor New York, NY 10004 (212) 336-3689 (phone) (212) 336-3623 (fax)</p>	<p>RICHMOND CHILDREN'S CENTER, INC., D/B/A RICHMOND OF NEW YORK</p>  <hr/> <p>Edward Spauster, Ph.D. President & Chief Executive Officer Richmond Children's Center, Inc. d/b/a Richmond of New York 919 North Broadway Yonkers, NY 10701 (914) 968-1900 (phone)</p>
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EXHIBIT A – FILED UNDER SEAL

EXHIBIT B

NOTICE TO EMPLOYEES OF RICHMOND CHILDREN'S CENTER

1. This NOTICE to all employees of RICHMOND CHILDREN'S CENTER is being posted and provided as part of a Consent Decree between Richmond Children's Center (Richmond), and the U.S. Equal Employment Opportunity Commission (EEOC), in Civil Action No. 05-CV-8342 (SDNY).

2. Federal law and the Consent Decree require that there be no discrimination against any employee or applicant for employment because of race. They also require that there be no retaliation against any employee or applicant who made a complaint of discrimination because of sex, race, national origin, color or religion with respect to hiring, compensation, promotion, discharge, or other terms, conditions or privileges of employment, or who otherwise opposed such discrimination.

3. In the above-referenced case, the EEOC alleged that Richmond discriminated against four African American employees in regard to promotion, discipline, termination, and retaliated against them for complaining about discriminatory treatment of African Americans by reducing work hours, failing to promote, disparately scrutinizing work, and termination.

4. Richmond has agreed to comply with federal law referenced in paragraph 2, and it will not take any action against employees because they have acted on those rights under the law by filing charges with the EEOC or by otherwise complaining or opposing employment practices made unlawful by Title VII of the Civil Rights Act of 1964, as amended.

5. The Equal Employment Opportunity Commission maintains offices throughout the United States, including in New York, NY. Its New York District Office is located at:

Equal Employment Opportunity Commission
New York District Office
33 Whitehall Street, 5th Floor
New York, NY 10004
Telephone: 1-800-669-4000

6. This NOTICE will remain posted until August, ____, 2009.

Signed this ____ day of August, 2006

By: Richmond Children's Center

Edward Spauster, Ph.D.
President & Chief Executive Officer
Richmond Children's Center

EXHIBIT C

Agenda:

Skills for Working in a Diverse Environment and Federal Laws Prohibiting Discrimination in Employment

4 hour Training Session for Employees
25-30 participants

Introductions: The "Map"

In small groups of 4-5, participants will have 1 minute to introduce themselves by answering these questions: Their name; where they were born/raised; a personal milestone; a value they bring to work.

Large group report out.

Welcome: Why We Are Here

- Brief explanation of the purpose of the training:
- Learn skills to work effectively in a diverse environment
- Ensure that employees understand federal laws prohibiting discrimination in employment

Expectations/Objectives (5 minutes)

- Ask participants their expectations/what they want to address today
- Share our objectives:
 - Understand how working with differences can create a non-hostile and more inclusive work environment
 - Recognize that we all play a role in creating a diversity-friendly and inclusive work environment
 - Deepen our appreciation of the unwritten rules
 - Learn a conceptual framework that describes some of the cultural differences we encounter in the workplace

Culture Shock Exercise (25 minutes)

A role-play that helps participants understand how discomfort dealing with people who are different adversely impacts interactions and perceptions of others.

High-Low Context focused on "unwritten rules" (30 minutes)

A framework to understand underlying cultural assumptions about relationships, communication, learning, leadership, handling conflict, and teamwork. Helps participants gain awareness of how these assumptions might impact one's behavior at work.

Micro Labs: small group discussion (20 minutes)

Identify your context; the organization's context

What are the implications for the organization? How does this

Impact creating a fair and inclusive environment?

EEOC and federal laws prohibiting discrimination in employment (90 minutes)

- Overview of Title VII: This is what the law says

Brainstorm factual scenarios at work:

- What can you do /What can't you do
- How can people comply with the law? How does compliance work?
- Define discrimination, harassment, hostile environment
- Process for employees to file complaints
- Discuss recent Supreme Court decision re: retaliation
- How to handle differently to comply with the law?

EXHIBIT D

Proposed Agenda:

Skills for Managing in a Diverse Environment and Federal Laws
Prohibiting Discrimination in Employment

Training Session for Managers/Supervisors

15-20 participants

Introductions: The "Map"

In small groups of 4-5, participants will have 1 minute to introduce themselves by answering these questions: Their name; where they were born/raised; a personal milestone; a value they bring to work.

Large group report out.

Welcome: Why We Are Here

- Brief explanation of the purpose of the training:
- Learn skills to manage effectively in a diverse environment
- Ensure that Managers/Supervisors understand federal laws prohibiting discrimination in employment

Expectations/Objectives

- Ask participants their expectations/what they want to address today
- Share our objectives:
 - Understand Managers/Supervisors' role in creating a fair and inclusive work environment through practices/procedures, tone setting, etc.
 - Deepen our appreciation of the unwritten rules
 - Learn how to respond to typical scenarios which could reflect discriminatory behavior
 - Learn a conceptual framework that describes some of the cultural differences we encounter in the workplace that may be perceived as discriminatory
 - Ensure that Managers/Supervisors understand federal laws prohibiting discrimination in employment and their role in reinforcing fair practices

High-Low Context focused on "unwritten rules"

A framework to understand our underlying cultural assumptions about relationships, communication, learning, leadership, handling conflict, and teamwork. Helps participants gain awareness of how one's underlying cultural assumptions might impact one's behavior at work.

EEOC and federal laws prohibiting discrimination in employment
Overview of Title VII: This is what the law says

- What can you do /What can't you do
- How can people comply with the law? How does compliance work?
- Define discrimination, hostile environment
- Process for employees to file complaints
- Discuss recent Supreme Court decision re: retaliation
- How to handle differently to comply with the law?

Brainstorm factual scenarios at work:

The supervisors/managers will be guided to brainstorm factual scenarios that require them to deal with challenging circumstances that could be discriminatory

EXHIBIT E

Richmond Children's Center Company
Equal Opportunity Employment Policy (EOE)

Equal Opportunity

Richmond Children's Center is committed to providing a work environment that is free from unlawful discrimination and harassment in any form. It is Richmond Children's Center's policy to comply with all applicable laws that provide equal opportunity in employment for all persons and to prohibit unlawful discrimination in employment. Richmond Children's Center's policy is not to discriminate by reason of race, color, religion, sex/gender, creed, sexual orientation, marital status, pregnancy, genetic predisposition (or carrier status), citizenship status, national origin, age, disability, or military or veteran status, or any other characteristic protected by federal, state, or local law.

Richmond Children's Center will make reasonable accommodations to the known physical or mental limitations of qualified individuals with disabilities unless the accommodation would result in an undue hardship on the operation of our business. Qualified individuals with disabilities who are in need of accommodation are encouraged to discuss their needs with their Manager or the Human Resources Department.

This policy applies to all terms and conditions of employment, including, but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation, and training.

Policy Against Unlawful Discrimination/Harassment and Other Inappropriate or Unprofessional Conduct

Richmond Children's Center expressly prohibits any form of unlawful employee harassment based on race, color, religion, sex/gender, creed, sexual orientation, marital status, pregnancy, genetic predisposition (or carrier status), citizenship status, national origin, age, disability, or military or veteran status, or status in any group protected by federal, state, or local law.

- Work Environment

Richmond Children's Center insists that all individuals be treated with respect and dignity. Each individual should be able to work in a professional atmosphere that promotes teamwork and attainment of Richmond Children's Center's goals. Improper interference with the ability of Richmond Children's Center's employees to perform their expected job duties is unacceptable and unprofessional. Richmond Children's Center expressly prohibits any form of unlawful discrimination, unlawful harassment, and any other inappropriate or unprofessional conduct, and will not tolerate, condone, or allow such conduct by fellow employees, supervisors, managers, customers, vendors, contractors, visitors, or others who conduct Richmond Children's Center business. Richmond

Children's Center's "work environment" extends to all Richmond Children's Center facilities and any setting outside the workplace where individuals who work with or for Richmond Children's Center are gathered, such as business trips, customer-site visits, conferences, and social events.

- Sexual Harassment

The purpose of this policy statement on sexual harassment is to establish clearly and unequivocally that Richmond Children's Center prohibits sexual harassment by and of its employees. No employee, either male or female, should be subjected to unsolicited or unwelcome sexual advances or conduct, either verbal or physical.

"Sexual harassment" includes all unwelcome sexual advances, requests for sexual favors, and all other verbal or physical conduct or otherwise offensive conduct of a sexual nature when:

- Submission to such conduct is made either explicitly or implicitly a term or condition of employment;
- Submission to, or rejection of, such conduct by an individual is used as the basis for decisions affecting an individual's employment; or
- Such conduct is sufficiently severe or pervasive as to alter the conditions of employment and has the purpose or effect of creating a hostile or offensive working environment.

Sexual harassment may take many forms, including, but not limited to: verbal teasing or abuse of a sexual nature; inquiries about sexual activities, sexual orientation, and gender identity; subtle pressure or abuse of a sexual nature; inappropriate, unwelcome, and unnecessary touching of an individual, for example, grabbing, patting, pinching, hugging, rubbing or massaging, repeatedly brushing against another employee's body, or impeding the movement of another person; offensive sexual flirtation, advances, or propositioning, including suggestive looks or gestures such as whistling; sexually graphic verbal commentaries or jokes made in any medium; offensive e-mail or voice mail messages; sexually degrading words used to describe an individual; or the offensive display in the workplace of sexual or pornographic objects, pictures, or writings.

- Racial/Ethnic Discrimination and Harassment

The purpose of this policy statement on racial/ethnic discrimination and harassment is to establish clearly and unequivocally that Richmond Children's Center prohibits racial and ethnic discrimination, including racial/ethnic harassment, by and of its employees. No employee, regardless of race or ethnicity, should be subjected to racially or ethnically offensive, hostile, or intimidating conduct, either verbal or physical.

Conduct with racial or ethnic content or overtones, which is severe, pervasive, or persistent, may be considered racial/ethnic harassment. Racial/ethnic harassment may take many forms, including, but not limited to: menacing behavior, words, or symbols directed at persons of a particular race or ethnicity; displaying, distributing, or otherwise communicating anything offensive in any medium which focuses on race or ethnicity; making critical or mocking comments about racial or ethnic characteristics, such as voice, accent, physical features, hair texture, or manner of dress; perpetuating or promoting racial/ethnic stereotypes, such as assumptions about likes and dislikes based on race or ethnicity; assigning persons to an isolated or separate work area based on their race or ethnicity; or basing overtime assignments on race or ethnicity.

- Other Illegal Harassment

In addition to sexual, racial, and ethnic harassment, Richmond Children's Center recognizes that other forms of unlawful harassment exist. Such unlawful harassment may target persons because of their race, color, religion, sex/gender, creed, sexual orientation, marital status, pregnancy, genetic predisposition (or carrier status), citizenship status, national origin, age, disability, or military or veteran status, or any other characteristic protected by federal, state, or local law. Richmond Children's Center will not tolerate such conduct. (Examples would be similar to those listed under Racial/Ethnic Discrimination and Harassment above.)

- Other Inappropriate or Unprofessional Conduct

Richmond Children's Center also prohibits conduct by or toward any employees, coworkers, supervisors, managers, customers, clients, patients, residents, vendors, contractors, visitors, or others who conduct business with Richmond Children's Center that is inappropriate in a work environment or is considered unprofessional. Such conduct includes behaviors that improperly interfere with the ability of Richmond Children's Center's employees to perform their expected job duties.

Complaint Procedure Relating to any Unlawful Discrimination or Harassment and to Inappropriate or Unprofessional Behavior

Each employee of Richmond Children's Center is responsible for maintaining a work atmosphere free of discrimination and harassment, sexual or otherwise. Further, employees of Richmond Children's Center are responsible for respecting the rights of their coworkers. It is Richmond Children's Center's policy to thoroughly investigate and remedy any known incidence of unlawful discrimination or harassment. Richmond Children's Center is equally committed to respond to complaints of inappropriate or unprofessional behavior. In order to accomplish this policy, unlawful discrimination or harassment, as well as any other inappropriate or unprofessional behavior by or toward any Richmond Children's Center employee, supervisor, manager, customer, client, patient,

resident, vendor, contractor, visitor, or other person, must be brought to the attention of Richmond Children's Center Management and/or Human Resources.

Accordingly, if you believe you are experiencing any job-related harassment based on your race, color, religion, sex/gender, creed, sexual orientation, marital status, pregnancy, genetic predisposition (or carrier status), citizenship status, national origin, age, disability, or military or veteran status, or any other characteristic protected by federal, state, or local law, or believe you have been treated in an unlawful, discriminatory manner, or are subjected to inappropriate or unprofessional behavior, do not ignore it. Although Richmond Children's Center encourages you to express your concerns directly to the offending person, if, in your judgment, informal, direct communications between individuals is ineffective or not appropriate, you should immediately report the incident to your Manager or another management employee (ideally within 48 hours of the occurrence), who will investigate the matter and take appropriate action.

If you believe it would be inappropriate to discuss the matter with your Manager, you may report it directly to higher-level management in your organization, or the local Human Resources Director for your organization. The person to whom you report the conduct will promptly cause an investigation to be undertaken. Richmond Children's Center will endeavor to protect the privacy of both the complainant and the accused and to keep the investigation confidential to the extent practical and appropriate under the circumstances.

- No Retaliation

Richmond Children's Center prohibits any form of retaliation against any employee for making a complaint under this policy or for assisting in a complaint investigation. Retaliation of any kind will be considered a violation of this policy.

- Remedial Measures

If unlawful discrimination, harassment, inappropriate or unprofessional conduct is found to have occurred, appropriate remedial action will be taken. If a Richmond Children's Center employee is found to have violated this policy, such employee will be subject to appropriate disciplinary action, up to and including termination of employment.

Responsibilities

Discrimination and harassment violate Richmond Children's Center policy and, if encountered or witnessed, should be reported to one of Richmond Children's Center's management staff. If you have a violation to report, or if you feel that you have been discriminated against, you should contact your supervisor, or the Human Resources Department.

- Manager Responsibilities

Managers and supervisors have special responsibilities with respect to the policy against discrimination and harassment. They must understand the Company policy prohibiting discrimination and harassment.

Richmond Children's Center's anti-discrimination policy requires that employment decisions and actions be made without regard to a person's race, color, religion, sex/gender, creed, sexual orientation, marital status, pregnancy, genetic predisposition (or carrier status), citizenship status, national origin, age, disability, or military or veteran status, or status in any group protected by federal, state, or local law. Examples of employment decisions include, but are not limited to, evaluating employees' performance; making recommendations on hires, transfers, development opportunities, and promotions; and recommending discipline, corrective action, and termination.

Not only must managers and supervisors conduct themselves in a manner consistent with this policy, they are also responsible for establishing and maintaining a work environment free of unlawful harassment and unlawful discrimination. Managers and supervisors must apply the policy. They must maintain open lines of communication, allowing employees to express their concerns without fear of retaliation. They must stop any form of harassment they observe. They must identify incidents of discrimination immediately and report them to a Human Resources staff member and/or their own direct supervisor. Managers and supervisors must ensure, with assistance from Human Resources, that an investigation of allegations of discrimination or harassment is initiated immediately after they are reported. Based on the investigation, managers and supervisors must take appropriate and immediate action.

- Employee Responsibility

Employees have important responsibilities with respect to the policy against unlawful discrimination and harassment.

Richmond Children's Center employees are responsible for knowing and understanding this policy and promoting a workplace free of unlawful discrimination and harassment by conducting themselves in a manner consistent with this policy. Employees should immediately report any unlawful discrimination or harassing conduct to which they are subjected or that they observe taking place toward another employee to their supervisor, or the Human Resources Department.

- Human Resources Responsibility

Human Resources has the same responsibilities as all other employees relative to compliance with Richmond Children's Center policy. In addition, Human

Resources staff are responsible for conducting thorough investigations of the complaints that are brought forward by their client management. The Human Resources Director should also notify the President/CEO of all complaints of discrimination and harassment. The Human Resources Director will assist in determining the proper mode of investigation and the appropriateness of involving other agency resources such as Quality, Staff Development & Training, and Richmond's Legal Counsel.

It is also the responsibility of the Human Resources Director to provide appropriate coaching and support for all parties involved in harassment and discrimination situations. In cases where the client is not responsive to coaching relative to Company procedure and policy, the Human Resources Director is obligated to elevate the situation in a timely way to senior management of the organization.

Contractors and Vendors

Richmond Children's Center employees should also immediately report to their supervisor any violation of policy by contractors and vendors. Richmond Children's Center managers and supervisors are expected to engage their Purchasing representatives in dealing with these situations.