

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

United States Courts
Southern District of Texas
FILED
AR NOV 15 2002
Michael N. Milby, Clerk

EQUAL EMPLOYMENT OPPORTUNITY
COMMISSION,
Plaintiff,

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CIVIL ACTION NO. H-01-2724

VS.

JURY TRIAL DEMANDED

UNITED STATES COURTS
SOUTHERN DISTRICT OF TEXAS
ENTERED
NOV 21 2002

D & S RESIDENTIAL SERVICES, INC.
Defendant.

Michael N. Milby, Clerk of Court

CONSENT DECREE

Plaintiff, the United States Equal Employment Opportunity Commission ("Commission" or "EEOC") and Defendant, D & S Residential Services, Inc. ("D & S" or "Defendant"), agree to entry of this Consent Decree.

I. Background and History of Proceedings

A. Charging Parties Katrina Cannon and Tammy Fowler Pettus each filed charges of discrimination with the Commission (Charge Nos. 330-99-3574 and 330-A0-1040, respectively) alleging Defendant violated Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §2000e *et seq.* ("Title VII").

B. On August 13, 2001, after investigating the charges and finding discrimination, the Commission commenced this action alleging that Defendant's conduct toward Katrina Cannon ("Cannon") and Tammy Fowler Pettus ("Pettus")(collectively referred to as "Charging Parties") during the course of their employment constituted unlawful discrimination on the basis of pregnancy in violation of Section 703 (a) of Title VII.

C. Defendant denied the allegations of pregnancy discrimination.

D. The parties wish to avoid the risks, uncertainties and expenses of continued litigation. Accordingly, the parties have agreed to settle this lawsuit. Neither Defendant's consent to the entry of this decree nor any of the terms set forth in it shall constitute or be construed as an admission of any Title VII violation. The parties agree the Consent Decree is being entered into for the purpose of compromising disputed claims without the necessity for protracted litigation.

E. The Commission and Defendant stipulate to the jurisdiction of the Court and the satisfaction of all administrative prerequisites. The parties further waive hearing and entry of findings of fact and conclusions of law on all issues.

IT IS ORDERED that:

1. This Consent Decree is entered in full and complete settlement of any and all claims arising out of or asserted in Civil Action No. H-01-2724 and the above-referenced charges on behalf of Cannon and Pettus.
2. Defendant and all of its employees and/or agents associated with it agree they will not engage in any employment practices which discriminate against any individual with respect to compensation, terms, conditions or privileges of employment because of such individual's pregnancy and will not retaliate against any individual who has opposed any practice made an unlawful employment practice under Title VII or who has made a charge, testified,

assisted, or participated in any manner in an investigation, proceeding or hearing under Title VII.

3. Defendant and all of its employees and/or agents associated with them agree that they will not engage in any employment practice which discriminates against female employees because of their pregnancy in violation of Title VII.

4. Annually, for three years from the entry of this Decree, D & S will provide, using either an attorney or an independent experienced training person or group, a program on employment discrimination, including the law relating to Title VII and pregnancy discrimination, to all management level employees, human resources management employees and all in-house counsel for D & S. The training shall be completed not later than April 30, 2003, or within six(6) months from the date the Consent Decree is entered, whichever date is later. Defendant shall submit to the EEOC each year, at least thirty days in advance of the program, the name of the program provider and a curriculum outline indicating the information to be addressed during the program and copies of all agendas and materials to be distributed at the training seminar. The person who shall administer the training will be either attorney(s) or person(s) possessing at least five years of experience in labor and employment law. Written acknowledgment of receipt of the training shall be obtained by Defendant from all individuals attending the training and retained among the employment records of D & S and also copies shall be forwarded to the EEOC.

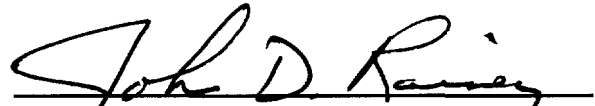
5. Semi-annually, for three years from the entry of this Decree, D & S will provide to the EEOC with a listing of the name, address and telephone number of all pregnant females who are terminated or placed on a leave of absence.
6. Defendant agrees that within ten days after entry of this Decree it will conspicuously post the attached notice (Exhibit "A") in an area accessible to all employees at each of D & S's locations for a period of three years from the date the Decree is signed.
7. Defendant agrees to pay the total sum of FORTY-FOUR THOUSAND DOLLARS AND NO CENTS (\$44,000.00) in full and final settlement of the EEOC's lawsuit to provide monetary relief to Katrina Cannon and Tammy Fowler Pettus. A certified check in the sum TWENTY-TWO THOUSAND DOLLARS AND NO CENTS (\$22,000.00) shall be mailed to Katrina Cannon at the address provided by the EEOC to Defendant. A certified check in the sum TWENTY-TWO THOUSAND DOLLARS AND NO CENTS (\$22,000.00) shall be mailed to Tammy Pettus at the address provided by the EEOC to Defendant. Said sums shall be paid within thirty (30) days from the date the Decree is signed by the Court. A copy of the checks disbursed to each of the Charging Parties shall be mailed to the EEOC's undersigned counsel of record.
8. The parties agree that this monetary award represents a reasonable settlement of the Commission's claim of compensatory damages under the Title VII and are not tied to any claim for back or future wages. They are therefore

mutually understood to be payments on account of personal injury for pain and suffering. No amounts will be withheld for taxation purposes against the monetary award. D & S agrees to issue Internal Revenue Service ("IRS") Form 1099 or an equivalent form to Cannon and Pettus who will have the sole responsibility for paying any federal, state or local taxes, including federal income tax that may be due on the aforementioned monetary award.

9. Each party to this action shall bear itsr own costs and attorney's fees.
10. This Consent Decree shall be binding on Defendant and all of Defendant's successors-in-interest, and Defendant will notify all such successors-in-interest of the existence and terms of this Consent Decree.
11. This Decree shall remain in effect for three years form the date of signing. During the period that this Decree shall remain in effect, the Court shall retain jurisdiction to assure compliance with this Decree and to permit entry of such further orders or modifications as may be appropriate. The EEOC is specifically authorized to seek Court-ordered enforcement of this Decree in the event of a breach of any of the provisions herein.
12. Nothing in this Consent Decree shall be construed to preclude the Commission from filing a separate action under Title VII or any other statute which the Commission enforces in the future for any alleged violations by Defendant not resolved by this Decree.

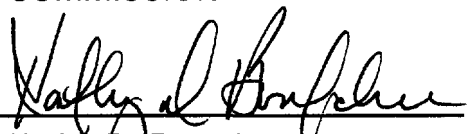
13. Each signatory certifies that he or she is authorized to execute this document on behalf of the party or parties whom he or she represents.

Signed this 21st day of November, 2002 at Houston, Texas.

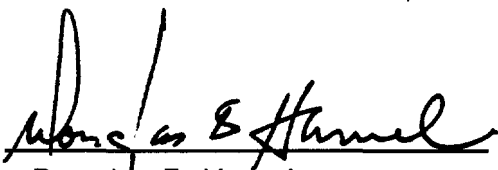

John D. Rainey
United State District Judge

AGREED AND CONSENTED TO:

ATTORNEY FOR PLAINTIFF
EQUAL EMPLOYMENT OPPORTUNITY
COMMISSION

By: 
Kathy D. Boutchee
TBN: 02717500
SDN: 10145
Houston District Office
Equal Employment Opportunity
Commission
1919 Smith St., 7th Floor
Houston, Texas 77002
(713) 209-3399
Fax: (713) 209-3402

ATTORNEY FOR DEFENDANT
D & S RESIDENTIAL SERVICES, INC.

By: 
Douglas E. Hamel
TBN: 08818300
Vinson & Elkins, L.L.P.
2839 First City Tower
1001 Fannin Street
Houston, Texas 77002
(713) 758-2036
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**U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
Houston District Office**

Mickey Leland Federal Building
1919 Smith Street, 7th Floor
Houston, TX 77002-8049
(713) 209-3320
TTY (713) 209-3439
FAX (713) 209-3381

**NOTICE TO THE EMPLOYEES OF
D & S RESIDENTIAL SERVICES**

THIS NOTICE IS POSTED PURSUANT TO THE CONSENT DECREE ENTERED IN RESOLUTION OF A LAWSUIT BROUGHT BY THE EEOC AGAINST D & S RESIDENTIAL SERVICES, INC. REGARDING PREGNANCY DISCRIMINATION IN THE WORK PLACE AND TITLE VII OF THE CIVIL RIGHTS ACT OF 1964, AS AMENDED.

1. Federal law requires that there be no discrimination against any employee or applicant for employment because of the employee's sex, race, color, religion, national origin, age or disability with respect to compensation, hiring or other terms, conditions or privileges of employment.
2. D & S RESIDENTIAL SERVICES supports and will comply with such Federal law in all respects and will not take any action against employees because they have exercised their rights under the law by filing charges with the Equal Employment Opportunity Commission (EEOC), providing information to the EEOC, and/or receiving compensation for the settlement of any pregnancy discrimination claim.
3. D & S RESIDENTIAL SERVICES prohibits pregnancy discrimination and will not engage in the practice of altering the terms and conditions of employment on the basis of sex, including pregnancy.
4. Pregnancy discrimination is expressly prohibited and constitutes an unlawful discriminatory employment practice. Such discriminatory employment practices will not be tolerated at D & S RESIDENTIAL SERVICES.
5. Any employee who feels they have been the target of such discrimination is advised to report this action promptly to Hal Davis, President, D & S Residential Services, Inc., 5904 Bee Cave Road, Austin, Texas 78746, (512) 327-2325 ext. 207.

SIGNED this _____ day of _____, 2002.

Hal Davis
President, D & S Residential Services, Inc.

This OFFICIAL NOTICE shall remain posted for three full years from date of signing.

EXHIBIT "A"