

**Conciliation Agreement
Between the U.S. Department of Labor
Office of Federal Contract Compliance Programs**

and

**La Quinta Resort & Club/PGA West
49-499 Eisenhower Drive
La Quinta, CA 92253-2722**

PART I: General Provisions

1. This Agreement is between the Office of Federal Contract Compliance Programs (hereinafter "OFCCP") and La Quinta Resort & Club/PGA West, located at 49-499 Eisenhower Drive, La Quinta, California (hereinafter "La Quinta").
2. The violation identified in this Agreement was found during a compliance evaluation of La Quinta which began on February 13, 2009, and it was specified in a Notice of Violations issued October 27, 2010. OFCCP alleges that La Quinta has violated Executive Order 11246, as amended, and implementing regulations at 41 CFR Chapter 60 due to the specific violation cited in Part II below.
3. This Agreement does not constitute an admission by La Quinta of any violation of Executive Order 11246, as amended, and implementing regulations.
4. The provisions of this Agreement will become part of La Quinta's Affirmative Action Program (hereinafter "AAP"). Subject to the performance by La Quinta of all promises and representations contained herein and in its AAP, the named violation in regard to the compliance of La Quinta with all OFCCP programs will be deemed resolved. However, La Quinta 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. La Quinta 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 La Quinta's compliance. La Quinta shall permit access to its premises during normal business hours for these purposes.
6. Nothing herein is intended to relieve La Quinta from the obligation to comply with the requirements of Executive Order 11246, as amended, and/or Section 503 of the Rehabilitation Act of 1973, as amended, and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212), and implementing regulations, or any other equal employment statute or executive order, or its implementing regulations.

7. La Quinta 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, or who files a complaint, or who participates in any manner in any proceedings under Executive Order 11246, as amended, and/or Section 503 of the Rehabilitation Act of 1973, as amended, and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212).
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 of 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 La Quinta has violated any portion of this Agreement during the term of this Agreement, La Quinta 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 La Quinta 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 violations 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 La Quinta has violated this Agreement, OFCCP may seek enforcement of this Agreement itself and shall not be required to present proof of the underlying violation resolved by this Agreement.

Liability for violation of this Agreement may subject La Quinta to sanctions set forth in Section 209 of Executive Order 11246, and/or other appropriate relief.

PART II: Specific Provisions

1. **VIOLATION**: OFCCP concluded that La Quinta failed to ensure that its employees were compensated without regard to gender as required by 41 CFR 60-1.4(a) and 41 CFR 60-20.5(a). Specifically, OFCCP's review of the (b) (7)(C) position during the period of May 1, 2007 through December 31, 2008 revealed that two female employees with significantly longer periods of employment were receiving less hourly wages as compared to a similarly situated male.

REMEDY: La Quinta must agree to implement measures to ensure that its compensation system is applied equitably to all employees, regardless of gender. This consists of all aspects of compensation, including but not limited to, initial salary at the time of hire and progression into higher paying categories. In order to resolve this finding by OFCCP, La Quinta must agree to the following:

- A. Provide back pay plus compound interest for the two employees listed in Attachment A as follows:

Within 60 days after the effective date of this Agreement, but no earlier than 45 days, La Quinta agrees to provide back pay plus compound interest to the two female (b) (7)(C) employees (former and current) listed in Attachment A to the extent they can be located. La Quinta will distribute back pay and compound interest in the amount of \$6,474.53 and compound interest in the amount of \$246.14 as set forth in Attachment A. La Quinta will submit documentation to OFCCP of payment(s) made within 10 working days of the issuance of the check(s) to the class member(s). This amount will be distributed to the located class member(s) listed on Attachment A who return Attachment C within the time limits described below. Any and all back pay due to class member(s) who are not found will revert back to La Quinta. La Quinta will send a one-time full back pay payment in order to satisfy the financial remedy to each of the class members. The payments will be calculated to show and report appropriate withholding deductions. The funds of checks not cashed within 60 days of the issue date will revert back to La Quinta. Individuals named in Attachment A will have within 45 days of postmark of the Notification Letter, or within 45 days from receipt of the Notification Letter if received personally, to sign and return the Release of Claims.

- B. Provide salary adjustments for all current employees listed in Attachment A. La Quinta has made the agreed salary adjustment to the one current employee listed in Attachment A to (b) (7) per hour effective July 2, 2010.
- C. Conduct an audit and analysis of its compensation practices to determine its impact on all employees as outlined under "PART III: Reporting," second progress report for the period covering April 1, 2011 through September 30, 2011.
- D. Develop and implement policies and procedures for all employees to ensure that La Quinta's compensation system will not differentiate on the basis of gender.

La Quinta commits that this finding by OFCCP will not be repeated.

PART III: Reporting

La Quinta agrees to furnish the U.S. Department of Labor, Office of Federal Contract Compliance Programs, Orange Area Office, 770 The City Drive, Suite 5700, Orange, CA 92868-4955 with the following progress reports:

REPORT DUE DATE

PERIOD COVERED

May 31, 2011

October 1, 2010 through March 31, 2011

November 30, 2011

April 1, 2011 through September 30, 2011

The first progress report shall contain the following:

1. Copies of cancelled checks for the back pay and compound interest disbursed to the individuals identified in Attachment A.

2. A copy of the revised compensation procedures designed to provide equitable compensation practices within the (b) (7)(C) position.

The second progress report shall contain the following:

1. Results of an audit and analysis of La Quinta's compensation practices of all (b) (7) (c) employees for the period specified above.

La Quinta agrees to retain all personnel records pertinent to the finding by OFCCP resolved by this Agreement as well as the reports submitted pursuant to the Agreement (including the underlying data/information on which the reports are based) until the expiration date of the Agreement and maintained as consistent with regulatory requirements.

Termination Date:

This Agreement will remain in full force and effect until March 31, 2012 following submission of the final progress report to OFCCP due by November 30, 2011.

PART IV: Signatures

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and La Quinta Resort & Club/PGA West, 49-499 Eisenhower Drive, La Quinta, CA 92253-2722.

Date: 12/13/10

Date: 12/16/10

(b) (7) (c)

DAVID KIRKEN, Director of Operations
La Quinta Resort & Club/PGA West
49-499 Eisenhower Drive
La Quinta, CA 92253-2722

(b) (7) (e)

Office of Federal Contract
Compliance Programs
Orange Area Office

Date: 12/16/10

Date: 12/20/2010

(b) (7) (c)

HECTOR M. SANCHEZ, Area Office Director
Office of Federal Contract
Compliance Programs
Orange Area Office

(b) (7) (c)

SUZANNE JONES, District Director
Office of Federal Contract
Compliance Programs
San Diego District

Attachment A

FEMALE CLASS MEMBERS, EFFECTIVE DATES, BACK PAY AND COMPOUND INTEREST

Female employees working as (b) (7)(C) as of 12/31/08

NAME	FIRST DATE OF BACK PAY PERIOD (Hire Date of Male Cook-Prep)	LAST DATE	AMOUNT OF PAY INCREASE	BACK PAY	COMPOUND INTEREST	BACK PAY AND INTEREST
(b) (7)(C)				\$ 789.00	\$ 46.77	\$ 835.77
				\$5,685.53	\$199.37	\$5,884.90
TOTAL	--	--		\$6,474.53	\$246.14	\$6,720.67

Attachment B

NOTIFICATION LETTER

Certified Mail
Return Receipt Requested

[Name]
[Street]
[City, State, Zip Code]

Dated: _____

Dear Ms. [Name]:

La Quinta Resort & Club/PGA West, 49-499 Eisenhower Drive, La Quinta, CA 92253-2722 (hereinafter "La Quinta") and the U.S. Department of Labor's Office of Federal Contract Compliance Programs (hereinafter "OFCCP") have entered into a Conciliation Agreement (hereinafter "CA") to resolve alleged disparities in compensation for employees working in (b) (7) (c) positions between October 28, 2008 and September 30, 2010. You have been identified as one of the individuals who worked in such a position during that time period.

By entering into this CA, La Quinta has not admitted nor has there been any adjudicated finding that La Quinta violated any laws regarding compensation. La Quinta has entered into this CA for its convenience and to resolve the matter without further legal proceeding.

As part of this CA, you may be eligible to receive a monetary distribution of \$ _____ subject to lawful payroll deductions. In order to be eligible for this distribution, you must execute and return the enclosed Release of Claims **within forty-five (45) days of the postmark of this letter (or "within forty-five (45) days from your receipt of this letter" if received personally) to:**

**LA QUINTA RESORT & CLUB® AND PGA WEST®
THE WALDORF=ASTORIA COLLECTION®
ATTENTION: HUMAN RESOURCES
49-499 Eisenhower Drive, La Quinta, CA 92253**

If you fail to return the required documentation within the specified timeframe, you will be ineligible for monetary relief provided by this CA.

If you have any questions, please feel free to call me at (XXX) XXX-XXXX during normal business hours.

Sincerely,

TO BE DETERMINED

Enclosure: Release of Claims

cc: (b) (7) (c) Compliance Officer, U.S. Department of Labor, OFCCP

Attachment C

RELEASE OF CLAIMS

In consideration of the monetary payment (less deductions required by law) by La Quinta Resort & Club/PGA West (hereinafter "La Quinta") of \$_____ to me, which I agree is acceptable, and also in consideration of the Conciliation Agreement between La Quinta and the Office of Federal Contract Compliance Programs (hereinafter "OFCCP"), I agree to the following:

I.

I hereby waive, release and forever discharge La Quinta, its predecessors, related entities, subsidiaries, and organizations, and its and their directors, officers, employees, agents, successors, and assigns, of and from any and all actions, causes of action, damages, liabilities, and claims arising out of or actionable under Executive Order 11246, as amended, the Rehabilitation Act of 1973, as amended, and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (U.S.C. 4212), and all other applicable laws governing nondiscrimination in employment, which I or my representatives (heirs, executors, administrators, or assigns) have or may have which relate in any way to my not being selected for employment at any time prior to the effective date of this Release.

II.

I understand that if I am concerned about how the process described in this Release applies to me, I may contact OFCCP Compliance Officer (b) (7)(C) for assistance at U.S. Department of Labor/OFCCP, 770 The City Drive, Suite 5700, Orange, CA 92868-4955, phone number (714) 621-(b) (7)(C)

III.

I understand that La Quinta denies that it treated me unlawfully or unfairly in any way and that La Quinta entered into the above-referenced Conciliation Agreement with OFCCP in the spirit of conciliation and to bring closure to the compliance evaluation initiated by OFCCP on February 13, 2009. I further agree that the payment of the aforesaid sum by La Quinta to me is not to be construed as an admission of any liability by La Quinta.

IV.

I declare that I have read this Release and that I have had a full opportunity to consider and understand its terms and to consult with my advisors. I further declare that I have decided of my own free will to sign this Release.

V.

I understand that if I do not sign this Release and return it to La Quinta's EEO Representative, TO BE DETERMINED, ADDRESS postmarked **within forty-five (45) calendar days from the date my Notification Letter was postmarked**, I will not be entitled to receive the payment (less deductions required by law) from La Quinta.

IN WITNESS WHEREOF, I am signing this document of my own free will.

Name (please print)

Signature

Date