

**Conciliation Agreement**  
**Between the U.S. Department of Labor**  
**Office of Federal Contract Compliance Programs**  
**and**  
**Hillcrest Care Center**  
**3401 Cedar Avenue**  
**Long Beach, California 90807**

**PART I: General Provisions**

1. This Agreement is between the Office of Federal Contract Compliance Programs (hereinafter OFCCP) and Hillcrest Care Center (hereinafter Hillcrest) located at 3401 Cedar Avenue, Long Beach, California 90807.
2. The alleged violations identified in this Agreement were found during a compliance evaluation of Hillcrest which began on January 17, 2012 and they were specified in a Notice of Violation issued on January 28, 2013. OFCCP alleges that Hillcrest has violated Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212) and implementing regulations at 41 CFR Chapter 60 due to specific violations cited in Part II below.
3. This Agreement does not constitute an admission by Hillcrest of any violation of Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212) and implementing regulations.
4. The provisions of this Agreement will become part of Hillcrest's Affirmative Action Program (hereinafter AAP). Subject to the performance by Hillcrest of all promises and representations contained herein and in its AAP, all alleged violations in regard to the compliance of Hillcrest with all OFCCP programs will be deemed resolved. However, Hillcrest 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. Hillcrest 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 Hillcrest compliance. Hillcrest shall permit access to its premises during normal business hours for these purposes.
6. Nothing herein is intended to relieve Hillcrest from the obligation to comply with the requirements of Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and 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. Hillcrest 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 deemed to have been accepted by the Government on the date of signature by the District Director for OFCCP, unless the Regional Director for 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 Hillcrest has violated any portion of this Agreement during the term of this Agreement, Hillcrest 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 Hillcrest 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 violation 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 Hillcrest has violated this Conciliation Agreement, OFCCP may seek enforcement of this Agreement itself and shall not be required to present proof of the underlying violations resolved by this Agreement.

Liability for violation of this Agreement may subject Hillcrest to sanctions set forth in Section 209 of the Executive Order, 41 CFR 60-300.66, 41 CFR 60-741.66, and/or other appropriate relief.

//  
  
//  
  
//  
  
//  
  
//  
  
//  
  
//  
  
//  
  
//

## **PART II: Specific Provisions**

1. **VIOLATION:** OFCCP found that Hillcrest failed to ensure that its employees were compensated without regard to their race, as required by 41 CFR 60-1.4(a) and 41 CFR 60-20.5. Specifically, a review of compensation practices for the Certified Nursing Assistant ("CNA") position revealed that some Asians in the CNA positions were compensated at a lesser rate than some of their Black counterparts.

Specifically, a review of the available records, job descriptions and pay information provided by Hillcrest, the results of OFCCP's regression analysis, along with interviews with managers and employees conducted during OFCCP's investigation support the OFCCP's finding that some Asians in the CNA positions received a lower hourly wage than some of their Black counterparts. The investigation also revealed that some Asian CNAs were not provided annual merit increases in a manner consistent with some of their Black counterparts, despite receiving similar or higher performance ratings.

**REMEDY:** Hillcrest agrees to revise its compensation practices and take steps to ensure that its compensation system provides an equal opportunity to all of its employees. This applies to all aspects of compensation, including, but not limited to, initial wage at time of hire and progression into higher paying categories. In order to resolve this, Hillcrest agrees to the following:

- a. **Notification of Class Members:** Within 30 days after the effective date of this Agreement, Hillcrest agrees to notify each class member<sup>1</sup>, (CM) of his or her rights under this Agreement by sending a certified letter<sup>2</sup>, to their address, notifying the CM of this Conciliation Agreement and providing the CM with a Release of Claims Form<sup>3</sup> and a W-4 form. CMs must return the completed Release of Claims Form<sup>3</sup>, to Brad DeHaan at Hillcrest within 30 days of receipt of the certified letter or forfeit any consideration for back pay.

Hillcrest will promptly notify OFCCP 30 days after its initial mailing to the CMs of any of the CM's who could not be located. OFCCP will have an additional 30 days from receipt of notice from Hillcrest to locate additional CMs and to provide contact information to Hillcrest of those CMs it was subsequently able to find. Within 10 days of receipt of OFCCP's list, Hillcrest will notify the CMs located and again provide each with a Release of Claims Form<sup>3</sup> W-4 form. Each newly located CM will have 30 days after receipt of the notification letter to respond.

If Hillcrest does not receive a response within 30 days of the CM's receipt of the notification letter, such lack of a response will be deemed to constitute a rejection of any financial settlement set forth in paragraph (b) and (c).

---

<sup>1</sup> Attachment A – List of Class Members

<sup>2</sup> Attachment B – Notification Letter

<sup>3</sup> Attachment C – Release of Claims Form

- b. **Financial Settlement:** Within 120 days (but not earlier than 45 days) from the effective date of this Agreement, Hillcrest will provide back pay in the amount of \$18,719.24 and interest in the amount of \$2,115 to the 24 Asian CNAs identified in Attachment A. Such payment will constitute a full settlement of all financial claims related hereto. Hillcrest will submit to the OFCCP documentation of payment of the financial settlement in accordance with the terms contained in "PART III: Reporting", of this Agreement. The payments will be made in a lump sum to each CM, less appropriate withholding deductions. Hillcrest will send each CM an appropriate tax form (W-2 and 1099).
- c. **Compensation Process:** Hillcrest agrees to take proactive measures to ensure that this practice does not recur. Within 45 days from the effective date of this Agreement, Hillcrest agrees to do the following:
  - a. Conduct an audit and analysis of its compensation practices as they impact all employees.
  - b. Develop and implement compensation policies and procedures that will not differentiate compensation on the basis of race of employees.
  - c. Provide training to those managers who participate in the application of any component of the compensation system. The purpose is to familiarize those managers with principles underlying the uniform application of criteria, which are used to establish compensation. The ramifications of Equal Employment opportunity will be explained not only as a diversity tool but also as a potential liability and violation of the Equal Opportunity Laws.

2. **VIOLATION:** Hillcrest failed to conduct an audit and monitor its personnel operations as follows:

Ensure that seniority practices, job classifications, work assignments, and other personnel practices do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and its obligations under these specifications are being carried out as required by 41 CFR § 60-4.3(a)7.m.

**REMEDY:** Hillcrest agrees to audit and monitor its personnel operations as follows: Maintain evidence (letters, memos, personnel files, reports) of: (a) an annual inventory and evaluation of all minority and female personnel for promotional opportunities and how these employees were encouraged to seek or to prepare for such opportunities by appropriate training; (b) the EEO Officer reviews all monthly work force reports, hiring, terminations, and training provided on-the-job; (d) the EEO Officer's job description identifies his or her responsibility for monitoring all employment activities for discriminatory effects; and (e) initiate corrective action whenever a possible discriminatory effect has been identified.

3. **VIOLATION:** Hillcrest failed to undertake appropriate outreach, recruitment, and dissemination of its affirmative action policy for covered veterans and individuals with disabilities as required by 41 CFR §§ 60-300.44(f) and 60-741.44(f).

**REMEDY:** Hillcrest agrees to undertake appropriate outreach, recruitment, and dissemination of its affirmative action policy with organizations listed in Attachment D for covered veterans and individuals with disabilities.

**Hillcrest agrees that these alleged violations will not be repeated.**

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

//

### **PART III: Reporting**

In order for the OFCCP to monitor compliance with this Conciliation Agreement, Hillcrest agrees to furnish the U.S. Department of Labor, Office of Federal Contract Compliance Programs, Los Angeles District Office, 1640 S. Sepulveda Blvd., Los Angeles, California 90025 with the following report:

<u>Report Due Date</u>	<u>Period Covered</u>
Report 1: March 3, 2014	Effective date of Agreement through February 28, 2014
Report 2: August 27, 2014	Effective date of Agreement through July 31, 2014

#### **The first progress report shall contain the following:**

1. Copies of checks issued for back pay and interest to the Asian CNAs identified in Attachment A;
2. Evidence of training provided to the managers who participate in the application of any component of the compensation process. This will include who was in attendance and how future compensation policies and practices are implemented.
3. Evidence (letters, memos, personnel files, reports, etc.) of an annual inventory and evaluation of all minority and female personnel, monthly workforce reports regarding hiring, promotions, terminations, and training, EEO Officer's job description identifying his or her responsibility for monitoring all employment activity for discriminatory effects, and records of corrective action taken whenever a possible discriminatory effect has been identified.

#### **The second progress report shall contain the following:**

1. Evidence of good faith efforts to recruit veterans and individuals with disabilities for employment opportunities and promotions by providing:
  - a. Copies of correspondence showing it has established linkages with recruitment sources listed in Attachment "A" and notified these sources of all job openings within sufficient time prior to the closing date of the vacancy;
  - b. Copies of correspondence showing it has outlined its application and employment process to these sources;
  - c. Evidence of any and all referrals it has received, including a copy of each resume and/or application from all applicants for each vacancy; and

- d. All interview notes, job offers, salary offers, rejections and the reasons for rejecting any persons referred from the recruitment sources.
2. The total number of veterans and individuals with disabilities that were hired broken out by job title, recruiting source hired from, and veteran/disabled status.
3. Evidence (letters, memos, personnel files, reports, etc.) of an annual inventory and evaluation of all minority and female personnel, monthly workforce reports regarding hiring, promotions, terminations, and training, EEO Officer's job description identifying his or her responsibility for monitoring all employment activity for discriminatory effects, and records of corrective action taken whenever a possible discriminatory effect has been identified.

You may also include any other information you have prepared that would assist us in understanding and evaluating your Affirmative Action commitments.

**Termination Date:**

This Agreement shall remain in effect until September 30, 2014 or until OFCCP's written acceptance of the Progress Report, whichever date is later.

//

//

//

//

//

//

//

//

//

//

//

//

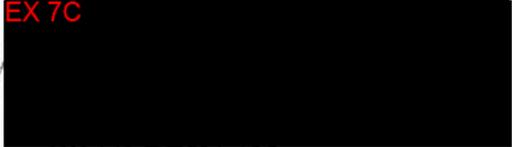
//

**PART IV: Signatures**

This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Hillcrest Care Center.

9/25/13

EX 7C



BRAD DEHAAN  
Administrator  
Hillcrest Care Center  
3401 Cedar Avenue  
Long Beach, California 90807

10/28/13

Date

EX 7C



Compliance Officer  
Office of Federal Contract  
Compliance Programs  
Los Angeles District Office

10/28/13

Date

EX 7C

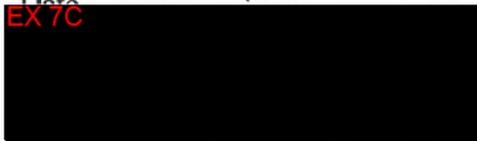


ROBERT DOLES  
Assistant District Director  
Office of Federal Contract  
Compliance Programs  
Los Angeles District Office

10/29/2013

Date

EX 7C



JANE SUHR  
District Director  
Office of Federal Contract  
Compliance Programs  
Los Angeles District Office

10/30/2013  
Date

EX 7C

  
MELISSA L. SPEER  
Acting Regional Director  
Office of Federal Contract  
Compliance Programs  
Pacific Region



**Attachment B**

**NOTIFICATION LETTER**

Certified Mail, Return Receipt Requested

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

[Name]

[Street]

[City, State, Zip Code]

Dear [Name]:

Hillcrest Care Center and the Department of Labor's Office of Federal Contract Compliance Programs (hereinafter "OFCCP") have entered into a Conciliation Agreement (hereinafter "CA") to resolve disparities in compensation for CNAs. You have been identified as one of the individuals who are entitled to back pay.

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

As part of this CA, you are also eligible to receive a monetary distribution of \$\_\_\_\_\_, subject to lawful payroll deductions. Under the terms of this CA, you may receive a payment up to four (4) months from the date of this letter. In order to be eligible for this distribution, you must execute and return the following enclosed "Release of Claims", within 30 days of your receipt of this letter to:

Brad DeHaan  
Administrator  
Hillcrest Care Center  
3401 Cedar Avenue  
Long Beach, CA 90807

**If you fail to return the release of claims within the specified timeframe, you will be ineligible for monetary and/or other relief provided by this CA.**

Attachment B

**NOTIFICATION LETTER (Continued)**

If you have any questions, you may call me at (562) 426-4461 ext. 307 and your call will be returned as soon as possible.

Sincerely,

Brad DeHaan  
Administrator  
Hillcrest Care Center

cc: **EX7C** Compliance Officer, U.S. Department of Labor  
1640 S. Sepulveda Blvd., Los Angeles, CA 90025

Enclosures: Release of Claims

Police Sgt. Courtland M. King  
U. S. Department of Labor  
1640 S. Sepulveda Boulevard, Suite 400  
Los Angeles, California 90025  
Telephone Number: (213) 298-1216

IX

I understand that Hillcrest Care Center admits that it caused the individual(s) named in any way and that Hillcrest Care Center admits that the above-named individual(s) were injured by GPOCP in the spirit of facilitating our ability to bring closure to the Congressional Review initiated by GPOCP on January 17, 2017. I further agree that the payment of the any award made by Hillcrest Care Center shall not be construed as an admission of liability for Hillcrest.

X

I further agree that I have read this Release and that I have had a full opportunity to consider and understand its terms and have made it with my advisors. I further declare that I have received all my state benefits and that I have no claims against Hillcrest Care Center.

Y

I further agree that if I do not sign this Release and return it to Hillcrest Care Center, within 30 days of my receipt of this Notice, I will not be eligible to receive the payment (and delinquent payment, if any) owed by Hillcrest Care Center.

WITNESS WHEREOF, I have set my hand and the Release on this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

2017

Signature

**Attachment D**

**COMMUNITY BASED ORGANIZATIONS  
AND RECRUITMENT FOR WOMEN, MINORITIES, DISABLED, & VETERANS  
Los Angeles County**

**PV Jobs – Play Vista Jobs & Business Services**

4112 South Main Street  
Los Angeles, CA 90037  
(323) 432-3955  
Juan Alvarado-Program Manager  
[jalvarado@pv.jobs.org](mailto:jalvarado@pv.jobs.org)

**Natl. Association of Women in Construction**

NAWIC-Los Angeles  
P.O. Box 10756  
Marina Del Rey, CA 91402  
Diane Frank- President  
(310) 306-5267  
[dfrank@hamiltonpacific.com](mailto:dfrank@hamiltonpacific.com)

**Women in Non-Traditional Employment Roles (WINTER)**

3655 South Grand Ave, Ste. 210  
Los Angeles, CA 90007  
Linda Parrott  
(213) 749-3970  
[lparrott@winterwomen.org](mailto:lparrott@winterwomen.org)

**Los Angeles Black Worker Center**

Lola Smallwood Cuevas-Project Director  
213-480-4155 ext 210  
[lscuevas@irle.ucla.edu](mailto:lscuevas@irle.ucla.edu)

**\*\* Contractors should include unions in the outreach and recruitment EEO/AA obligations.**

**9 to 5 Natl. Association of Working Women**

630 Shatto Place 4<sup>th</sup> Fl.  
Los Angeles, CA 90005  
(213) 201-7029  
Cathy Deppe  
Board Member, Los Angeles Chapter  
[cathydeppela@gmail.com](mailto:cathydeppela@gmail.com)

**United Job Creation Council**

4112 S. Main Street  
Los Angeles, CA 90037  
Jean Franklin- Exec. Dir.  
(323) 432-3976

**Department of Rehabilitation**

5400 E. Olympic Blvd., Suite 200  
Los Angeles, CA 90022  
(323) 720-4082  
Grace Burque – Rehabilitation Supervisor  
[gburque@dor.ca.gov](mailto:gburque@dor.ca.gov)

**Employment Development Department**

Crenshaw Workforce Service Office  
5401 Crenshaw Blvd.  
Los Angeles, CA 90043  
(323) 290-5140  
Connie Thomas- Site Manager  
[Connie.thomas@edd.ca.gov](mailto:Connie.thomas@edd.ca.gov)

**VETS Los Angeles Regional Office**

Federal Building  
11000 Wilshire Blvd., 3<sup>rd</sup> Fl.  
Los Angeles, CA 90024  
(310) 235-7722 general line  
Debbie Brinkley  
(310) 235-7590 direct line  
[Deborah.brinkley@va.gov](mailto:Deborah.brinkley@va.gov)